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On principles for future agreement Habib confident of persuading Jemayel

By ASHER WALLFISH
Post Diplomatic Correspondent

U.S. special envoy Philip Habib said yesterday that he could bring Lebanese President Amin Jemayel around to accepting whatever general principles governing a future agreement Israel and the U.S. would agree upon first.

Habib told Foreign Minister Yitzhak Shamir, Defence Minister Ariel Sharon, and David Kimche, the Foreign Ministry director-general, that there is no reason why Israel and Lebanon should not agree upon the general principles of their future agreement within a week, and then proceed to translate these principles into details.

Prime Minister Menachem Begin told the cabinet at its weekly meeting yesterday that Habib had asked him to name a new top-level body with which he could work in the course of the shuttle which he planned to conduct between Jerusalem, Beirut and Damascus. Habib said he expected Lebanon and Syria likewise to name a small body of authoritative persons who would contribute to the drafting of accepted principles according to which the detailed negotiations could proceed.

Habib's proposal for a joint Israel-U.S. stand as the key to progress was a repetition of a proposal made by U.S. Secretary of State George Shultz a month ago which Israel at the time was reluctant to approve, because it favoured direct bilateral contacts between Jerusalem and Beirut which would relegate the U.S. to a back seat.

Israel's acceptance of the Shultz approach today reflects the inability to make real progress in six sessions with the Lebanese at Halde and Kiryat Shmona, as well as the insistence of President Ronald Reagan that the negotiations get under way as fast as possible.

The seventh session opens in Halde, near Beirut, today, and the Lebanese delegation is expected to present a proposal regarding the cessation of the state of hostilities and to suggest a timetable for the withdrawal of foreign forces.

The gap between Israeli and American positions on an Israel-Lebanon agreement is not very wide, a cabinet source told *The* (Continued on Page 2, Col. 6)

PLO meeting in Damascus Lebanese to propose partial withdrawal

DAMASCUS. — The Palestine Liberation Organization executive committee opened a meeting here last night, headed by chairman Yasser Arafat.

The Palestinian news agency Wafa said it was to prepare for a meeting of the Palestine National Council (the PLO's parliament-in-exile), scheduled to start in Algiers on February 14.

At the PNC session, Arafat is expected to seek approval for his policies following the expulsion of the PLO from its Beirut stronghold by the Israeli invasion of Lebanon, and especially for his increasing alignment with Jordan.

Palestinian sources said Arafat was not expected to meet with any Syrian official during his sojourn in Damascus, as the Syrian government remains "very suspicious" of Arafat's policies, particularly his recent rapprochement with Jordan.

Saudi Arabia's Crown Prince Abdullah arrived in Damascus on Saturday and was believed to be trying to bridge the gap between Arafat and Syria, but his efforts were believed fruitless.

Abdullah met with Syrian President Hafez Assad shortly after his arrival, but details of the talks were not revealed. (Reuters, AP)

Lebanon is expected to present a plan calling for the partial withdrawal of Israeli forces as a first phase in the total withdrawal of all foreign troops from the country, when the Lebanese-Israeli talks resume this morning in Halde, south of Beirut.

The Central News Agency, a Beirut-based news organization with close contacts in the Lebanese government, yesterday quoted informed diplomatic sources as saying that the Lebanese delegation at today's talks would submit practical proposals for the partial withdrawal of Israeli forces from a 15-kilometre area south of the capital.

The agency did not say whether this would be accompanied by a parallel withdrawal of Syrian troops, but it did say that Lebanon has a plan for the complete and simultaneous withdrawal of all foreign forces from the country, including those of the PLO.

Syria has reportedly signalled its willingness to withdraw its 30,000 troops — provided that this does not pave the way for any Israeli political gains from its invasion of Lebanon last summer. Damascus

has been making it plain for some weeks that it will not tolerate Lebanon striking any deal with Israel that would take Lebanon out of the general Arab orbit and into a special relationship with the Jewish state — a position that has been repeated forcefully in recent days on the government-controlled Syrian media.

Lebanon is also expected to press for the formation of separate teams to discuss the various items on the agenda. According to agency reports from Beirut, Lebanese delegation chief Antoine Fattal will head the team to discuss ending the state of war with Israel — an issue sources close to the talks are quoted as saying should be the simplest to resolve. Another diplomat, Ibrahim Kharrat, will head the committee dealing with future relations between the two countries.

Brig. Abbas Hamdan will head the team dealing with troop withdrawals and military arrangements.

Meanwhile, the commander of the Phalange-dominated alliance of Christian militias, Fadi Frem, said in an interview published in Beirut yesterday that he continues to (Continued on Page 2, Col. 1)

No pressure by Reagan, says Navon

By MICHAEL YUDELMAN
Jerusalem Post Reporter

BEN-GURION AIRPORT. — President Yitzhak Navon, returning home yesterday from a 10-day visit to the U.S., said he had felt no form of pressure on Israel in his talks with President Ronald Reagan. But he added: "The president expressed his point of view, and said he would wish for greater momentum in the peace process."

Reagan, said Navon, is convinced that his September 1982 peace plan would not only bring peace to the region but is also good for Israel. "He impressed me as an open man and a friend of Israel," said Navon, flanked by his wife Ofira, who accompanied him on the trip.

Navon also spoke about Diaspora Jewish perceptions of Israel. "We in Israel don't realize how painful it is for Jews abroad to hear about the inter-communal tension here. Reports of the ethnic gap and of swastika-daubing make a great impact on the Jews there, who fear for the social structure of Israel," Navon said at the press conference at the airport.

The Navons were welcomed by an official state ceremony complete with a 21-gun salute, guard of honour and red carpet.

As the doors of the special air force plane slid open at 4 p.m. and Navon and his entourage emerged, a fanfare sounded, and the 71 soldiers, from the land, air and sea forces presented arms. Navon was wearing a dark suit and Ofira wore a blue leather suit. Navon and his wife were first greeted by Prime Minister Menachem Begin and their children. They then walked along the red carpet and shook the hands of cabinet ministers, the Knesset Speaker, the chief rabbis and other religious leaders, the police inspector-general, the IDF chief of staff, leaders of ethnic minorities, the diplomatic corps and many others.

The president said that some U.S. Jews, especially academics, had criticized Israel about social issues during their meetings with him. More attention should be devoted to these critical circles, Navon said, although the overall attitude to Israel is supportive.

Kahan probe now to write findings

By DAVID RICHARDSON
Jerusalem Post Reporter

The Kahan commission yesterday completed its hearings and retired to write its findings on the inquiry into the massacre of Palestinians at the refugee camps of Sabra and Shatilla near Beirut last September. These are expected to be published in the middle of next month.

The commission was appointed by the government following the assassination of the Lebanese president-elect Bashir Jemayel.

Yesterday's session which was closed to the press was devoted to the summations of lawyers representing six of the nine people warned last November that they might be harmed by the commission's investigation or its findings.

Prime Minister Menachem Begin, Foreign Minister Yitzhak Shamir and the chief of military intelligence Aluf Yehoshua Saguy did not present oral summations to the commission.

The central questions the commission has been investigating are:

- Who took the original decision to allow the Phalange into the camp?
- What were, and what ought to have been, the expectations of Defence Minister Ariel Sharon and the Chief of Staff Rav-Aluf Rafael Eitan of Phalange behaviour in the camps after they had approved the plan to allow them in? What were

(Continued on Page 2, Col. 6)

Heth: Present stock exchange trading unfair

By AVI TEMKIN and JOSEPH MORGENSTEIN
Jerusalem Post Reporters

The present system in the stock exchange does not insure fair trade and is the cause of many distortions, Meir Heth, chairman of the board of the Tel Aviv Stock Exchange, told a subcommittee of the Knesset State Control Committee.

Heth added that the present system of trading should be replaced by "continuous trading," which would prevent such distortions and would be more suitable to the conditions prevailing in the stock exchange.

In the present system of trade, prices are set once a day, whereas in the continuous trading system there is continual change in share prices levels.

Heth further proposed to create a list of two kinds of shares to be traded in the stock exchange, one of "solid" shares, with low speculative features, and a second of shares with a more speculative character and high risk elements.

Heth accused the trust funds of artificially influencing the level of share prices, but added that despite this criticism, he still believes that for the small investor the trust funds present the best available channel of investment.

On the new issues of shares, Heth warned that there must be quantitative criteria to be met by the issuer before the issue is approved.

Capital market commissioner Ben Ami Zuckerman conceded that there is an urgent need to bring legislative changes into effect, to improve the control over private persons who manage investment portfolios for others. Securities Authority chairman Ya'acov Arnon told the subcommittee that the authority is presently engaged in investigations of "irregularities" in the securities market.

Meanwhile, prospective changes in the structure of the capital market continue to have a depressing effect on the share market.

Heth's retraction of his resignation as chairman of the board of the exchange, according to observers, implies that the bank community will back proposed changes.

Over the medium term it also now appears that a number of companies will drop their plans of going public.

One observer suggested that if the current wave is not stemmed this week, then it may have a snowball effect. In the meantime there are sufficient buyers around who are willing to buy shares but sometimes this is only at ten per cent lower levels.

Yesterday there were 16 "sellers only" where no trading could be established, but nearly 100 issues traded at margins which were 5-10 per cent below last week's closing levels.

Fetus saved by operation while still in womb

By DAVID RUDGE
Jerusalem Post Reporter

AFULA. — A fetus suffering from a serious urinary-tract defect was operated on successfully while still in the womb, a Kupat Holim spokeswoman said yesterday.

The operation, the first of its kind in Israel, was performed by a team of surgeons in the maternity and gynecological department of Afula Hospital.

The operation was performed shortly after the mother, in her seventh month of pregnancy, was given an ultrasound scan which revealed that there was no fluid in the amniotic sac and that the baby through her abdomen to drain the fluid from the fetus's bladder directly back into the amniotic sac. Surgeons also administered the hormone thyroxine via the tubes to inhibit the collapse of the fetus's lungs.

At the same time tests were carried out to check for possible urinary infection which constitutes the most dangerous aspect of the treatment, the spokeswoman said.

The woman was kept under observation for five weeks and further ultrasound scans revealed that the fetus's bladder had returned to its normal size and the surrounding sac was again filled with fluid, which consists of the fetus's own urine.

The baby — a boy — was delivered two weeks ago by caesarean section during the woman's 36th week of pregnancy and weighed 2.56 kilos. He is now being treated in the neonatal intensive-care unit. The doctors said that an operation on the baby's urinary tract will be performed, but stressed that the child has a good chance of survival.



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The weather at major Swissair destinations

14.1.1983	MIN.	MAX.	C F
AMSTERDAM	3 37	8 46	Rain
BRUSSELS	3 36	8 46	Rain
BUENOS AIRES	20 58	27 81	Cloudy
CHICAGO	9 18	24 34	Clear
COPENHAGEN	0 32	4 39	Clear
FRANKFURT	5 41	7 45	Rain
GENEVA	0 32	5 41	Rain
HELSINKI	5 41	13 54	Cloudy
HONG KONG	16 51	18 64	Cloudy
JOHANNESBURG	15 59	24 75	Cloudy
LONDON	5 41	13 54	Clear
LYON	5 41	13 54	Clear
MADRID	4 39	13 54	Clear
MONTREAL	8 18	4 39	Cloudy
NEW YORK	1 34	13 54	Cloudy
OSLO	10 14	5 41	Cloudy
PARIS	10 14	5 41	Cloudy
RIO DE JANEIRO	22 72	23 73	Cloudy
SAO PAULO	20 68	25 77	Rain
STOCKHOLM	7 19	13 54	Clear
TOKYO	3 37	8 46	Cloudy
TORONTO	9 18	13 54	Snow
VIENNA	4 39	8 46	Clear
ZURICH	0 32	5 41	Rain

* For the latest weather conditions, contact Swissair

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THE WEATHER

Forecast: Scattered showers, strong winds.

Jerusalem	Humidity	Min-Max	Today's Max
Jerusalem	62	4-12	9
Golan	52	6-11	8
Nahariya	50	10-17	15
Safed	81	4-9	6
Haifa Port	74	—	16
Tiberias	56	10-18	11
Nazareth	58	7-13	16
Afula	58	10-16	14
Shomron	58	7-12	11
Tel Aviv	44	10-16	14
B-G Airport	48	9-16	14
Jericho	43	7-19	17
Gaza	48	9-16	14
BeerSheva	52	5-14	13
Eilat	30	7-19	18

SOCIAL & PERSONAL

Renato Garach, of the advocate general's office, will speak at the weekly meeting of Jerusalem Rotary West at 7 p.m. tonight at the King David Hotel on the subject "Unique Duties of an Advocate Representing the State."

Dr. Nimrod Novick, of the Institute of Strategic Studies, Tel Aviv University, will speak in the WIZO "Israel Today" lecture series tomorrow at 9:45 a.m. on Israel-U.S. relations, at WIZO House, 38 Sderot David Hamelech, Tel Aviv. The lecture will be given in English.

DEPARTURES

World Wizo president Raya Jaglom to Paris for the French Wizo National Conference, to Washington for the meeting of the board of governors of the WJC, and to Geneva to organize the European Women's Conference for Soviet Jewry.

Refusednik jailed for draft evasion

Jerusalem Post Staff
TEL AVIV. — Soviet refusednik Shimon Schnerman of Kerch has been arrested again for refusing to serve in the Red Army. Schnerman has just completed a two-and-a-half year prison term for refusing to serve, the Council for Soviet Jewry announced here yesterday.

Schnerman, a metal technician, was tried in June 1978 for refusing to serve in the Soviet army. He told the court he refused to serve as he was expecting an exit permit to emigrate to Israel to join his father, who made aliya in December 1976.

In 1981, after his release from prison, Schnerman was once more refused an exit permit. In 1982, the Soviet authorities again began sending him conscription orders. He was arrested on January 10, and is in jail awaiting trial, the council said.

Burg aide denies Lansky connection

Jerusalem Post Reporter
A spokesman for Interior Minister Yosef Burg yesterday firmly denied any allegations of National Religious Party involvement in the attempt by the late U.S. underworld figure Meyer Lansky to acquire Israeli citizenship.

Commenting on biographical notes on Lansky which appeared in yesterday's *Jerusalem Post* following Lansky's death, the spokesman stressed that the NRP never had any interest or financial motives in the Lansky affair.

The spokesman said that the High Court of Justice supported Burg's decision to refuse Lansky's application for Israeli citizenship. Burg, as Interior Minister, had appeared before the court.

Frem told the Beirut-based English language weekly *Monday Morning* that peace with Israel would liberate Lebanon from "the

HOME NEWS

Judge rules against Kfar Shalem probe

By ISRAEL ANIRANI
Jerusalem Post Reporter

The special magistrate appointed to probe the death of Shimon Yehoshua in Kfar Shalem four weeks ago yesterday rejected a police request to probe the case, saying there was no legal basis and no point in her investigation.

Magistrate Vardina Simon, appointed by the Tel Aviv Magistrate's Court following a police request, said yesterday that she would investigate the case only if the attorney-general asked her to do so.

Meanwhile, a special committee began investigating the administrative aspects of the incident and will report to the Knesset within a month.

The three-man committee was appointed by Justice Minister Moshe Nissim and Interior Minister Yosef Burg yesterday, following a decision by the Knesset three weeks ago. The body is headed by Tel Aviv District Court Judge Eliahu Vinograd, and includes Ya'acov Tsemah, of the Justice Ministry, and Avigdor Mishaly, a lawyer. The committee is to submit its report within a month.

On December 23, police officer Pakad Haim Cohen shot and killed Shimon Yehoshua during the demolition of an illegal extension to his family home in the Tel Aviv quarter of Kfar Shalem. Yehoshua was shot after he had drawn his own pistol and fired it three times in an attempt to delay the demolition until his father returned from the magistrate's court with a temporary injunction against the action.

The injunction was issued, but

only after the city demolition crew, guarded by police, had completed its work.

A special committee appointed by police to investigate the incident determined that the officer had acted according to standing orders. But in the face of public pressure, the police also requested an independent judicial investigation.

After three hearings, the last one yesterday, Simon concluded that the cause of death had already been established by another magistrate, Yehoshua Ben-Shlomo, shortly after the event. She pointed out that the cause was perfectly clear — two bullets in the head and shoulder — and the identity of the police officer was also known.

Simon said that she will give the district attorney all material relating to the incident and he will decide whether to prosecute anyone.

The Yehoshua family appeared disappointed at the magistrate's decision against a judicial probe, and their advocate, Arye Sharabi, said they will appeal to the High Court of Justice to order one. The law specifically empowers the magistrate to instruct the district attorney to prosecute anyone suspected of committing a crime, Sharabi said.

The lawyer claimed that the police officer had acted against standing orders. According to Sharabi, these say that police, when fired upon, should fire twice in the air before shooting at the target's feet. He said that Yehoshua did not shoot to kill, but rather to warn against demolishing the house before the court had a chance to act on the appeal for an injunction.

Mitzpe Ramon chairman complains Negev is ignored

By LIORA MORIEL
Jerusalem Post Reporter

MITZPE RAMON. — Shmuel Cohen, head of the regional council here, told members of the Knesset Interior Committee during a tour here yesterday that he is not opposed to settlements in Judea and Samaria. "But we must have a sense of proportion. If an effort is not made today, we will not achieve our (development) goals here, despite the redeployment of the army in the area," he said.

"From the viewpoint of national security, it is dangerous not to develop this town," he added.

Dan Peri, deputy director of the Nature Reserves Authority, told *The Jerusalem Post* during the visit that if the Negev is not developed, Israel might end up holding the West Bank, but losing the Negev.

Speaking about the huge national park being built along the nearby Ramon crater, he said: "We must see to it that the park is developed as quickly as possible so that the army is not tempted to reclaim areas it had ceded to the authority for (the park's) creation."

Only three of the 13 members of the Knesset Interior Committee came on the tour (all of them Alignment members).

500 are unemployed in Beit She'an

BEIT SHE'AN. — More than 500 residents of this Jordan Valley town are out of work and most of them are either in their 20s or are recently discharged soldiers.

This was stated yesterday by Mapam Histadrut central committee member Arye Grossman, when he visited the town.

Grossman said it was sad that so many people may be forced to leave this town which had played such an

honourable role in the defence of the country and in the absorption of immigrants.

In addition to the fact that industry in the town is not expanding, there is also a shortage of housing for all economic groups.

Grossman called for immediate action by the appropriate Histadrut committee to investigate expanding industry in the town to create jobs for all the inhabitants.

Histadrut teachers may sign pact today

TEL AVIV. — The Histadrut Teachers Union is expected to sign the general public service wage agreement today, after lawyers representing the union and the government yesterday agreed on wording which will allow teachers to continue their fight for implementation of the Etzioni Commission recommendations on teachers pay and working conditions.

Arabs ask for Zipori

NAZARETH (Itim). — Some Israeli Arab notables recently sent the Prime Minister's Bureau letters asking that Communications Minister Mordechai Zipori be appointed minister in charge of minorities affairs.

Zipori has recently increased his public appearances in minorities communities, including Nazareth, and his speeches have apparently been well received, it was reported.

Suez Canal tolls pass \$1b. mark

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. — Egyptian income from the Suez Canal tolls passed the \$1 billion mark in 1982 compared to \$960m. the year before, the canal authority has announced.

The Israel Shipping Research Institute, quoting the authority, stated that there had been a reduction in the number of oil tankers using the canal in 1982, but a rise in the number of other ships using the

waterway. During the first 10 months of the year, about 18,654 ships went through the canal, an increase of 4 per cent over 1981.

The authority has raised tolls as of January. The rise varies with the size and class of ships.

The fees for large container ships were put up by 10 per cent, while those for giant oil tankers going empty through the canal from north to south were reduced by 1.7 per cent.

Heart attack during tax inspection

Jerusalem Post Reporter
SAFED. — A 63-year-old local resident suffered a heart attack when income-tax inspectors visited his flat last Friday.

The man Felix Bram, owns a local electrical goods shop.

Bram showed the inspectors his receipts. They then asked him for additional accounts, and he collapsed with a heart attack.

Local merchants yesterday held a meeting to discuss ways to protest against what they called income-tax harassment.



Yosef and Esther Hebroni yesterday perform the traditional "first haircut" ceremony on their three-year-old son, Nebemia, at the Cave of the Patriarchs in Hebron. Mrs. Hebroni proudly holds the child's locks which she will keep as a souvenir. They are residents of Kiryat Arba, near Hebron. (Zoom 77)

Druckman group to decide on possible split from NRP

By SARAH HONIG
Post Political Reporter

TEL AVIV. — Rabbi Haim Druckman's faction within the National Religious Party will decide in a few months whether to form a new party.

Gatherings of the group's followers will be held throughout the country, starting next week. These will take place over a number of weeks and the participants will be asked if they favour launching a new political party with a religious and national character.

But sources in the Druckman camp emphasize that any decision will not be reached for a few months. The Druckman group has started polling potential members, most of whom are NRP voters, with a minority who voted for Tehiya in

the 1981 elections. The group will probably not take part in the internal NRP elections at the end of April, because they claim the factions run by Interior Minister Yosef Burg and Education Minister Zevulun Hammer have already decided the results.

Druckman's moves have caused worry in the NRP. It is feared that Druckman might further erode the party and attract many of the younger voters.

The Druckman group's disenchantment with the NRP dates back a number of years but it has been intensified by the more moderate pronouncements coming from its erstwhile ally, Hammer, and by the fact that one of the group's chief activists, Yosef Shapira, was ousted by the NRP from his Zionist Executive post a few weeks ago.

Histadrut organizations to buy Israeli products

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — The Histadrut will demand that all its organizational institutions buy — whenever possible — Israeli products, in an attempt to boost local industry, which has received a severe blow from the increased import of cheap foreign merchandise.

This was decided by the Histadrut central committee yesterday at the suggestion of Histadrut Secretary-General Yehoram Meshel.

The Histadrut committee in charge of purchasing goods and services for Histadrut organizations, headed by Nathan Almosino, will supervise the implementation of this decision.

Meshel said he would try to convince the Finance and Trade and Industry ministers of the importance of limiting imports, especially from countries with which Israel has

no diplomatic ties. Meshel said only the government can curb imports significantly.

Almosino said at the central committee's meeting yesterday that the government's monetary policy has led to the increase of imported products from the Far East and Europe, and to a decrease in exports. In many cases the price paid for Israeli products in European markets is less than their basic cost, as a result of the shekel's devaluation, he said.

The textile, shoe and ceramics industries have been hurt by the great quantities of imports from Far East and other countries in which wages are much lower than in Israel, Almosino said. The metal, food and fish industries have also been harmed.

This situation has forced Israeli employers to decrease their work force, and the livelihood of thousands is in danger, he said.

New bid to arrest Barbie

LA PAZ, Bolivia (AP). — A new attempt will be made to bring to justice alleged Nazi war criminal Klaus Altmann, alias Klaus Barbie, it was announced here last week.

France has several times requested his extradition, but the Bolivian supreme court has always rejected this, arguing the two countries have no extradition treaty.

The latest attempt is by West Germany, which claims it wants the so-called "Butcher of Lyons" for the murder of a World War II resistance fighter.

Last October civilian rulers took over in Bolivia, ending more than two years of military rule. New president Hernan Siles Zuazo promised to rid the country of Nazis, and two weeks after taking power the government expelled a group of Italian right-wing extremists.

It is not certain, however, if the new government will be more sympathetic to requests to extradite Altmann.

The Bolivian attorney-general this week is expected to ask his country's supreme court to consider the extradition based on charges presented in a court at Augsburg, West Germany, that Altmann was responsible for the death of a



Klaus Altmann alias Barbie, in 1972. (AP)

French resistance fighter named Kemmler. The brief said Altmann should be jailed for murder "committed with treachery, cruelty and vile motives."

Altmann is accused by France of being responsible for the deaths of hundreds of French Jews. Altmann is a naturalized citizen of Bolivia, where he has lived with his wife and children since 1951.

In 1974, a French court convicted him in absentia for war crimes he allegedly committed as head of a Nazi unit in Lyons.

British envoy contests 'normalization' demand

BEIRUT (Reuters). — British ministers do not want to meet the Palestine Liberation Organization unless this would help solve the Palestinian problem, British Ambassador Sir David Roberts said in an interview published here yesterday.

He was referring in an interview with the Beirut English-language weekly *Monday Morning* to a dispute over Britain's refusal to receive a PLO delegate as part of an Arab League mission promoting its Middle East peace plan.

In the interview, Roberts also

obliquely contested Israel's demand for "normalization" of its relations with Lebanon.

Britain believed Israel had an obligation to comply with UN resolutions in this regard "and they as you know say nothing about 'normalization,' as it's called," he said.

Roberts could not confirm reports that the Arab mission, which has already been to the U.S., France, the Soviet Union and China, would visit London on February 7 as the result of a compromise.

Trade deficit soars — second largest ever

Post Economic Reporter
The country's trade deficit totalled some \$3 billion during 1982, a 18 per cent increase over the 1981 level of \$2.6b.

Figures released yesterday by the Central Bureau of Statistics showed that the trade deficit was the second largest ever, trailing only the 1979 deficit of \$3.1b.

The rise in the deficit resulted from a 1 per cent increase in commodity imports up from \$7.85 in 1981 to \$7.9b. last year, and from a decrease in exports, down from \$5.3b. to \$4.95b.

Economic observers in Jerusalem pointed out that the trade deficit rose despite the fall in the dollar prices paid for imports due to the

worldwide recession.

The import of consumer goods increased by 7 per cent during 1982. This includes a 39 per cent increase in the import of new cars.

The import of investment goods also registered a considerable increase, up from \$1b. in 1981 to \$1.3b. last year with especially high increases in the import of transport goods (45 per cent) and machinery and equipment (24 per cent).

On the export side, there was a sharp drop in diamond exports (15 per cent) and in agricultural products (10 per cent). Some of the drop in exports was caused by a 3.5 per cent decrease in international prices for Israeli products, which reduced the total amount of dollars received.

HABIB-JEMAYEL

(Continued from Page One)

Jerusalem Post last night. Shamir presented Shultz last month with a list of Israeli proposals for the terms of agreement with Lebanon, and Shultz added American comments to each item, specifying whether he accepted the Israeli proposal in full or in part.

"We could bridge most of the significant differences with the Americans inside of a week," the source said.

However, the cabinet is not so sure that Habib can convince Jemayel to accept an Israel-U.S. line-up, or that such acceptance would hold in the face of external Arab pressure and domestic objections in Lebanon. "The Lebanese government lacks the capacity to take decisions and then adhere to them, because its personality is split so many ways," *The Post* was told.

This sober appraisal contrasted sharply with the demand which Sharon reportedly made to Habib last night, that the Lebanese delegation formally confirm promises to Israel, made by Christian Phalange negotiators with the defence minister, concerning Israeli early-warning stations in Lebanon, the status of militia leader Maj. Sa'ad Haddad, and the deployment of UNIFIL outside the 45-kilometre zone.

These are three of the issues on which Israel and the U.S. are clearly divided.

On future relations between Israel and Lebanon, a cabinet source told *The Post*: "We don't know how much normalization the Americans favour between Israel and Lebanon, and we don't know how far the Americans are willing to try to influence the Lebanese on normalization."

If the Lebanese delegation in Haifa today seeks to revive the 1949 armistice agreement as the

basis for future relations, once the state of hostilities is revoked, the talks on that agenda item will bog down, *The Post* was told.

While the Halde session is expected to move along to another, less controversial item, Habib is expected to try to shape a common stand on cessation of hostilities with Shamir, Sharon and Kimche, which he would subsequently take to Beirut, to break the log-jam.

The creation of the three-man top-level body was a function of Habib's intervention in the negotiations, in a position superior to that of American ambassador Morris Draper.

Draper's opposite number is Kimche, who cannot also be Habib's opposite number. Habib represents Reagan to Shamir and Sharon, as political figures.

Kimche's function is to make sure that agreed general principles are translated meticulously into details at the negotiations which he conducts in Haifa and Kiryat Shmona, as head of the Israeli delegation.

Yesterday's cabinet session lasted only 90 minutes. Afterwards, the prime minister's media adviser Uri Porat denied that Begin's prospective visit to Washington is linked in any way to progress in the talks with Lebanon; that any suggestion had been made to transfer the venue of talks to Washington; or that Reagan was in any way annoyed at Israel because of the lack of progress in the talks.

A cabinet source said last night that no grounds exist to doubt the American claim that Syria is still willing to withdraw its troops from Lebanon, provided the Syrians are acceptable.

This source explained a sharp attack on the negotiating process made in Damascus last night, as a sign that Syria was preparing for some measure of Israel-Lebanese rapprochement.

Price of silver rebounds

NEW YORK (AP). — The price of silver has more than doubled since plummeting to a four-year low last June, outperforming gold's sharp recovery and far outpacing explosive rallies in both stocks and bonds.

Companies that had shut down nearly one-fourth of this country's silver production last spring are once more reporting profits and reopening closed mines.

Silver climbed above \$12.80 a troy ounce this past week for the first time since April 1981, extending its rise to 166 per cent from the 50-month low of \$4.81 reached during New York trading on June 21, 1982.

The spurt reversed a slide that began in January 1980, when silver peaked at an unprecedented \$32.50 an ounce.

When silver was in its tailspin, prices of silver products did not fall as fast or as far.

Now silver is rebounding. So far the surge has not been reflected fully in the price tag of products made with the metal.

"Prices will have to be adjusted to reflect the increased price of silver," said Duane Garrison, a spokeswoman for Tiffany's Co. She declined to say when prices would be raised or by how much.

KAHAN PROBE

(Continued from Page One)

and what should have been the concerns of Begin and the cabinet when they were told that the Phalange were in the camps on Thursday evening, September 16?

• Were the chief of army intelligence and the director of the Mossad told of these plans, and did they see fit to discuss the implications and appraise the cabinet or their civilian superiors?

• When were the first indications of Phalange "irregularities" in the camps received, by whom and what was done to order them out as quickly as possible?

The commission yesterday released more statistical information about its proceedings. Including the transcripts of the oral arguments heard yesterday, the commission is studying 17,703 pages

of written testimony, documents, and legal summations.

This does not include newspaper clippings amassed by the commission itself, by the Government Press Office and by Israeli representatives abroad.

The transcript of a recent ABC television documentary on the massacre which was screened in the U.S. on January 7 has also been obtained.

The defence establishment and various government ministries have submitted 12,000 pages of material, the 65 hours of transcripts yielded 1,692 pages of testimony; 245 documents submitted as evidence to the commission yielded a total of 3,000 pages; the three staff investigators took 700 pages of sworn evidence; the written legal summations on behalf of the nine people named by the commission total 271 pages; and yesterday's oral arguments totalled 40 pages.

We regret to announce the death of our beloved

SYRIL SWIEL

The funeral will take place at 3 p.m. on Tuesday, January 18, 1983, at the Holon Cemetery. We will meet at the cemetery entrance.

His wife and children
Family in Israel and South Africa

Cabinet kills breakaway solar heating

Jerusalem Post Reporter
The cabinet yesterday rejected a proposal by Energy Minister Yitzhak Moda'i to allow the Knesset to continue debate on a bill that would enable householders with solar water heaters to disconnect their flats from the central heating system. The cabinet decision effectively killed Moda'i's proposal.

The bill, which passed its first reading in the Knesset in 1980, would have enabled a resident of a cooperative building to install solar water heaters without the consent of the other flat-owners. It would also have permitted him to cut off his flat from the central heating system.

The bill has been stalled in the Knesset Interior Com-

mittee ever since, and progress of the bill would have required the application of the continuity law by the cabinet, enabling the new Knesset to continue the legislation of a bill submitted in a previous Knesset.

According to the Energy Ministry spokesman, the cabinet turned down Moda'i's proposal by a vote of nine to five, following a presentation of a report by Housing Minister David Levy, spelling out negative implications of the bill. Levy's main objections to the bill were that it would not bring about a significant saving of fuel and that it would increase disputes between neighbours.

The Energy Ministry claims that the present solution is responsible for most disputes over heating.

7 Nahal settlements on West Bank

Jerusalem Post Reporter
TEL AVIV. — Building has started on seven Nahal settlements in Judea and Samaria, the army spokesman announced yesterday.

They are part of the 14 settle-

ments that Defence Minister Ariel Sharon promised would be built on the West Bank this year.

The names of the seven are Tzoria, Gina, Ganim, Omrim, Tzefel, Rogan and Ma'aleh Levana.

Pop singer held after kidnapping claim

By YIGAL BICHKOV
Jerusalem Post Reporter

PETAH TIKVA. — Eli Zohar, a singer in a local band, appeared in the Kfar Sava magistrate's court yesterday after the parents of a 12-year-old schoolgirl alleged he had tried to kidnap her. The parents claim Zohar forced the girl into his car outside her school.

Zohar's attorney denied the charges. He said Zohar often went to the school to talk to the 12- and 13-year-old girls because they were his fans. It was part of public relations, said the lawyer.

The magistrate ordered Zohar remanded in custody for five days to allow the police to complete their investigations.

Radio switch sparks row

By AARON SITTNER
Jerusalem Post Reporter

Local English- and French-language radio broadcasts will soon be moved from Reshet Dalet (Fourth Programme) to Reshet Aleph (First Programme), the Israel Broadcasting Authority's spokeswoman confirmed last night.

The move, approved recently by the authority's management board, is expected to create a controversy. The Knesset presidium will today take up an urgent motion for the agenda by Alignment MK Chaim Herzog on "the serious information blunder about to be perpetrated by the Broadcasting Authority."

Herzog told *The Post* last night: "We must act swiftly to forestall a major lapse in our informational efforts. Reshet Dalet is sent into the ether by a 1,270-kw transmitter, while Reshet Aleph is handled by a 217-kw unit."

"Audience surveys indicate that Reshet Dalet programmes are received very clearly all over the Middle East — in Teheran, Riyadh, Cairo and other capitals," said Herzog. "Our English and French news bulletins and features are eagerly listened to by diplomats, senior government officials, the press corps and other opinion moulders in neighbouring countries."

"Transferring these broadcasts to the much weaker Reshet Aleph would be senseless and self-defeating, and only undermine our very vital radio information activities."

Herzog added that while Israel broadcasts for 70 minutes a day in English and French, Arab states in the Middle East devote more than 104 broadcast hours a day to programming in these two languages.

"Our dilemma is compounded by the fact that we do not even have an English-language television programme, as does Jordan," Herzog stated.

More Golan Druse seek citizenship

By YOEL DAR
Jerusalem Post Reporter

NAZARETH. — The number of Golan Druse applying for Israeli citizenship has increased recently, according to Interior Ministry sources.

The sources said yesterday that hundreds of Golan Druse had already accepted Israeli citizenship, including notables who maintain close ties with the authorities, clerics and teachers. The ministry said these people sought citizenship because of the benefits they would derive, but the sources could not ex-

plain why more workers and farmers were also applying for citizenship.

The sources reported that it is now very rare to encounter a Golan Druse who does not have an identity card or who had not applied for one.

But despite the increasing numbers of Druse who are applying for citizenship and the improvement in relations between the Druse and government officials, those who called for closer identification with Israel were still being ostracized by many Golan Druse residents.

PLO man's son smuggled to Acre grandmother

ACRE (Itim). — The three-year-old

son of convicted terrorist Samir Darwish, who was killed three months ago in Lebanon, was smuggled across the Israeli-Lebanese border and is now living with his grandfather in Acre.

Darwish, an Israeli Arab who was trained as a terrorist in Lebanon and slipped across the security fence in the North, was captured and sentenced to 25 years in prison for attempting to commit a terrorist attack. But Darwish was one of 76

terrorists exchanged in 1979 for the return of Avraham Amram, captured by the PLO during the Litani operation in 1978.

Darwish was killed by Israeli forces in the fighting around Sidon this summer. His wife went to Syria after his death but later returned to Lebanon to try to arrange for their son to be smuggled across the border to his grandmother in Acre.

Police and military authorities are now investigating the boy's illegal entry into Israel.

New military cemetery to be built for Druse

By YOEL DAR
Jerusalem Post Reporter

NAZARETH. — A third military cemetery for the Druse will be laid out soon in the Lower Galilee village of Meghar, Likud MK Amal said yesterday.

Nasr E-Din, whose son Lufti was killed during army service, explained that the military cemetery will be built at the request of the local residents. The Defence Ministry will help to finance the project and the Housing Ministry

has been asked to allocate a piece of land for the cemetery.

Eleven local residents have been killed in service since the War of Independence. The other two military cemeteries are located in Isfiya on Mount Carmel and Hurfeish near the Lebanese border.

Nasr E-Din also said that a cultural centre in memory of all Druse who fell on duty whilst in the army and with the border police will be built in the village of Daliat el-Carmel, costing IS10 million.

Driving lessons in school curriculum

The Education Ministry has introduced an experimental course on transportation problems, which includes practical driving lessons, in an ORT school in Bat Yam, it was announced yesterday. The 12th-

graders who pass it will receive credit towards matriculation.

The ministry hopes to gradually introduce driving lessons as a compulsory component of the curriculum in all high schools.

Jaglom to continue fight for release of Ida Nudel

Jerusalem Post Reporter

TEL AVIV. — World WIZO President Raya Jaglom has announced that she will focus attention on the fight of Prisoner of Zion Ida Nudel at two conferences to be held next month.

The first will be a meeting of the board of governors of the World Jewish Congress in Washington on February 1, and the second, three weeks later, the European Women's Conference for Soviet Jewry in Geneva.

Mrs. Jaglom was recently re-elected president of Israeli Women or Ida Nudel (IWIN).

Mathematics parley set to open today

Jerusalem Post Reporter

RAMAT GAN. — The longest mathematical proof ever devised, requiring 10,000 pages, will be presented by Prof. Daniel Gornstein of the U.S. at a three-day international conference on mathematics which will open this morning at Bar-Ilan University.

Gornstein, an expert on set theory, is one of several dozen leading mathematicians from abroad who will attend this conference, which inaugurates the Professor Abe Gelbart Chair in mathematics at the university.

More workers from territories

The number of workers from the West Bank and Gaza Strip working within the Green Line reached a record 59,793 in December 1982, a jump of 4,172 over the preceding month.

The December figure also reflected a rise of 9,875 over the total workers from the territories in December of 1981, according to figures released yesterday by the Employment Service.

Of the 59,793 employed last month, 20,114 worked in construction (as opposed to 18,386 in November 1982); 22,434 in industry (21,764 in November); 11,277 in service jobs (10,505); and 5,868 in agriculture (4,966).

The regional breakdown last month showed 7,719 workers from the territories employed in the Jerusalem area; 3,354 in Haifa; 6,713 in the Sharon; 5,994 in the Dan region; 22,439 in Tel Aviv; 4,361 in the south; and 5,308 in the Negev.

Peace Now accused of damage in Efrat

Jerusalem Post Reporter

EFRAT. — Contractors who are building here complained yesterday to the Judea region police that Peace Now protesters vandalized unfinished buildings during their illegal demonstration here on Saturday night.

In the demonstration, thousands of Peace Now members and activists from disadvantaged neighbourhoods pasted posters on the walls of buildings to protest the

government's West Bank settlement policy. The contractors complained that many buildings were defaced with slogans sprayed with black paint, according to Sgan-Nitzav Yehuda Cohen, commander of the Judea region police.

Peace Now denied that their members vandalized buildings, saying that the demonstration's organizers made sure that no damage was done to property before they left the area.

Bank man charged with plundering accounts

TEL AVIV (Itim). — The Tel Aviv

District Court yesterday remanded until the end of legal proceedings a Netanya bank employee suspected of embezzling about \$500,000.

Danny Gadni, 35, a senior teller in a branch of the First International Bank, according to the police charge sheet systematically plundered clients' accounts over a number of years. Among the police

charges are that Gadni stole money from the bank and from clients, forged documents, committed fraud, committed foreign currency offences and breach of trust, and destroyed evidence.

Many of the thefts were from foreign nationals who had deposited sums in the Netanya bank, it is alleged.

Flats for poor families sold off to Agudat Yisrael

BEER YA'ACOV (Itim). — The head of the regional council here, Menahem Itzkovich, yesterday complained to the Housing Ministry about the sale of a 32-flat building to Agudat Yisrael.

The building was originally constructed, at the council's request, for poor families and families with many children.

The sale of the building by the ministry for \$1 million, according to Itzkovich, means that the needy families for whom it was built will not be able to live there.

The building was put up by the

Mabat company on public land given the company for nothing, and the contractors were exempted from various taxes because of the project's purpose, he said.

Itzkovich said he learned of the sale from a report in *Hamod'a*, the ultra-Orthodox daily.

"We are not seeking a clash with the ultra-Orthodox," said Itzkovich. "But they are now offering the flats to ultra-Orthodox families very cheaply. Persons who are not ultra-Orthodox will not be able to purchase flats in the building or live in it."

Increase in Lebanese visitors to Israel

By YOEL DAR
Jerusalem Post Reporter

NAZARETH. — The number of Lebanese citizens visiting Israel increased by some 20 per cent in December compared to the previous month.

Sources at the Interior Ministry said yesterday that in December 6,500 Lebanese entered Israel, 5,000 of them through the Rosh Hanikra checkpoint.

Many of the Lebanese tourists

are Maronite and Shi'ite, with few Sunni Moslems expressing interest in visiting the country. Although some Lebanese have exploited their visit to do business in the country, the majority have come to sightsee and to visit the holy places.

Meanwhile, the Interior Ministry has stopped issuing permits to Israelis to visit Lebanon. The ministry will reconsider issuing permits next month if the security situation in Lebanon improves.

Plan to get Diaspora Jews to work in IDF

Fifteen public figures, including

IDF Chief of Staff Rav-Aluf Rafael Eitan, yesterday decided to set up an apolitical public committee to promote "a month of *milutim* (reserve duty) in Israel for the Jews of the Diaspora."

The committee will attempt to

mobilize Jews from abroad to come for a month of work in IDF bases.

The committee was set up at a meeting in an IDF ordinance base where 32 American Jewish volunteers, 14 of them women, are currently doing a month's work (Itim)

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Sports

Top card in tennis Masters

By JACK LEON
Post Sports Reporter

TEL AVIV. — Americans Jimmy Connors and John McEnroe, titleholder Ivan Lendl of Czechoslovakia, and Argentina's Guillermo Vilas start as favorites in the elite \$400,000 Volvo Grand Prix Masters championship which gets under way in New York tomorrow. Competing in the six-day Madison Square Garden tournament are the players who took the first 12 places in last year's Grand Prix singles standings.

The other eight participants are — in order of their final 1982 placings — Sweden's Mats Wilander, Vilas, Gerulaitis, of the U.S., Spain's Jose Higueras, South Africa's John Kruger, Andre Gomek of Ecuador, American Steve Denton, Argentina's Jose-Luis Clerc and Yanknick Nash from France. Nash edged Australian Peter McNamara for the last berth in the star-studded field.

Connors, Vilas, Lendl and McEnroe (last year's top four finishers in that order) receive first-round byes in the single-elimination tournament. The new format replaces the old eight-man competition, which consisted of a round-robin split into two groups.

The big serve of Australian John Alexander carried him to a Grand Prix triumph in Auckland yesterday when he beat the local man Russell Simpson 6-4, 6-3 to capture the New Zealand Open.

Top-seeded Martina Navratilova gave Tracy Austin a lesson in power tennis, blasting her 6-2, 6-2 to gain the final of the \$150,000 Virginia Slims women's tournament in Houston. Navratilova, who has lost only three of her past 102 matches, won her final against the second-seeded Sylvia Hanika who finally expended Eva Pfaff's supply of comeback with a 7-5, 6-1 victory.

Redskins as expected, Jets surprise again

NEW YORK (AP). — The Washington Redskins rolled into the National Conference finals with a 21-7 drubbing of the Minnesota Vikings, while the surprising New York Jets advanced in the American Conference with a 17-14 victory over the Los Angeles Raiders in Saturday's National Football League playoff action.

The Redskins, whose only loss during the strike-shortened, nine-game season was to Dallas, will play either the Cowboys or the Green Bay Packers in next weekend's NFC championship game. After beating the AFC's top-seeded team in Los Angeles, the Jets will play in the conference title game next weekend against the winner of the Miami Dolphins vs. San Diego Chargers contest.

John Riggs shattered through Minnesota's defense for 185 yards and a touchdown and set up two scoring passes by Joe Theismann as the Redskins beat the Vikings 27-17 in the first round of the NFL playoff round. Theismann completed 17 of 23 passes for 213 yards.

The Jets won over a higher-seeded team on the road for the second week in a row. Last week, they took a 17-10 victory over the Cincinnati Bengals, the 1982 Super Bowl finalists. Richard Todd's 45-yard pass to Wesley Walker set up a 1-yard scoring plunge by Scott Dierking with 3:45 remaining for New York's winning TD. Todd completed 15 of 24 passes for 277 yards, and quarterback Lane Mohr had two interceptions for New York in the waning moments.

Imran routs India

HYDERABAD (Reuters). — Pakistan are well in sight of victory as their skipper Imran Khan ripped India's batting apart with a blistering spell of pace bowling on the third day of the fourth cricket Test here yesterday to send the touring team tumbling to 189 all out in their first innings.

Imran swept aside the cream of the Indian batting with six for 35 off 17.2 overs and he was ably supported by his long-time pace bowling partner Sarfraz Nawaz who captured three for 56. Mohinder Amarnath with 61 and newcomer Balwinder Singh with a heroic 71 were the only Indian batsmen to counter Imran's speed and lift on a perfect batting strip. Earlier Pakistan declared their first innings at a mammoth 581 for three with Javed Miandad carrying his overnight score from 238 to 280 not out.

In Brisbane, Australia, once the pupils of one-day cricket, emerged the teachers after a dashing seven-wicket victory against England in the World Series limited-over competition.

A workman-like partnership of 84 between Border and West (33 and 51 not out) steered Australia to their third 1-1 victory in the series as they completely crushed the Englishmen. Australia scored 104-3 from 41 overs, after England had been dismissed for 82 off 44.4 overs (Rounded 57).

VOLLEYBALL DRAW

Post Sports Reporter
TEL AVIV. — Israel have been drawn in a group with Italy, Italy, Norway, Spain and Sweden in a preliminary group of the European volleyball championships. The games will all be played in Holland between May 25 to May 28. The finals will be played in East Germany from September 17 to 25.

SPORTS TO DIVIDENDS: Seventeen games forecast all 13 matches correctly and correct top prize of the weekend football pools. They each win \$529,080, 13 correct pays \$211,200; 11 — \$5795 and 10 — \$5100.

Senator Alan Cranston.
(Camera Press)

Cranston wins California test for 1984 election

SACRAMENTO, California (Reuters). — Senator Alan Cranston of California Saturday night won the first test of strength for the 1984 U.S. presidential election, collecting 59.2 per cent of the votes in a popularity poll at his state's Democratic Party convention.

Cranston, 68, the assistant Democratic leader in the U.S. Senate, had said he had to win the poll if his campaign was to gain national prominence. He declared himself delighted with the result.

Former vice-president Walter Mondale, the leading Democratic contender in most national polls, was second with 23.4 per cent of the vote.

Although the presidential election is still 22 months away, seven Democratic presidential hopefuls addressed the convention before the poll.

Cranston was chosen by 783 delegates as their first choice for presidential candidate, and Mondale by 309. The other five contenders, including Senator John Glenn of Ohio, a former astronaut, collected only 230 votes among them.

The California vote was important because the state will send the biggest single voting block — 345 delegates — to the Democratic presidential nominating convention next year.

Meanwhile, a poll published in *The New York Times* yesterday showed that only 41 per cent of Americans approve of President Ronald Reagan's performance halfway through his term of office.

The poll, taken in early December, showed the president's popularity was at its lowest level since he took office in January 1981. It is considerably lower than the mid-term results of his four predecessors.

Falklands probe to clear Thatcher, press leak says

LONDON (AP). — A long-awaited independent inquiry into the government's handling of the Falklands conflict will exonerate Prime Minister Margaret Thatcher "from almost all blame for failing to anticipate Argentina's invasion of the South Atlantic outpost," *The Observer* reported yesterday.

The Observer, leaking some of the findings of the so-called Franks Committee report ahead of tomorrow's official publication date, said the 300-paragraph report will point the finger at officials in the country's intelligence service instead of at the prime minister.

But, it said, the report will conclude that "although the intelligence machinery did not work as well as it should, there was probably no way that an Argentine invasion could have been averted."

Zimbabwe farmers dust off their guns

HARARE (Reuters). — White farmers in Zimbabwe's troubled Matabeleland are re-arming and re-activating their radio-alarm systems for protection against rebels, a newspaper reported yesterday.

According to the *Sunday Mail*, the government is also licensing and returning to the province's farmers automatic weapons handed in during a disarmament campaign last year.

The farmers were reconnecting and modernizing their "AgricAlert"

radio-alarm system, which links farms with each other, and with the security forces. The alarm system was last used to counter guerrilla attacks during the Rhodesian civil war preceding Zimbabwe's independence in 1980.

More than 100 people, including 15 whites, have been killed in a year-long wave of violence blamed by the government on disaffected former guerrillas loyal to the Matabeleland-based opposition party of Joshua Nkomo.

Italian police nab leader of terror gang

MILAN (AP). — Police on Saturday arrested Sergio Segio, the leader of the Front Line terror group, who was nicknamed the "Scarlet Pimpernel" and wanted for 14 murders, police said.

Hunted for slaying two judges and for raiding a string of banks, Segio was seized while driving through north Milan with a girlfriend. Agents said he gave himself up without resistance and declared himself a political prisoner.

Segio, 28, allegedly led a raid in January last year, that freed four women members of the gang allied to the Red Brigades from a prison in Rovigo, northern Italy.

A passerby was killed when Segio's gang blasted a hole in the wall of the jail to free the women, sparking widespread criticism of the government for its record on maintaining law-and-order.

Soviets claim N-satellite will burn up during re-entry

MOSCOW (Reuters). — The fuel core of a nuclear-powered Soviet satellite will enter the earth's atmosphere in mid-February, but will burn up before landing on earth and will pose no serious danger, a Soviet scientist said yesterday.

The official Soviet news agency Tass quoted academician Oleg Byelotserkovsky as saying the fuel core had separated from the main reactor of Cosmos 1402.

"The withdrawal of the fuel core with radioactive fission products from the reactor ensures guaranteed conditions for its burning up in the dense layers of the atmosphere," he said.

U.S. government officials have said the part of Cosmos 1402 containing the reactor was in a wild orbit after going out of control, and should crash-land on earth at the end of January.

In what appeared to be a call for stricter safety measures for Soviet

spacecraft, Byelotserkovsky raised the possibility of sources other than nuclear energy to power satellites and pointed out that the U.S. used mainly radioisotope generators in space.

"Nuclear energy sources used in space require special construction and maintenance to provide security for men and the environment...in normal and in emergency conditions," Tass quoted Byelotserkovsky as saying.

He said that in the event of fallout from the satellite fragment returning to earth, "the radiation situation will be within the limits recommended by the International Commission of Radiological Protection."

The U.S. government has said the satellite could spread radioactive debris over a large area after it burns up on re-entry and has put a special search team on alert in case it lands in the U.S.

Vice-president Bakarić of Yugoslavia dies

ZAGREB, Yugoslavia (AP). — Dr. Vladimir Bakarić, vice-president of Yugoslavia and member of the presidium of the Communist party died early yesterday at his home

after a long illness, the Tanjug News Agency reported. He was 70.

He was the last surviving member of the inner circle of friends and comrades-in-arms of the late president Josip Broz Tito.

Gromyko in Bonn for arms talks

BONN (AP). — Soviet Foreign Minister Andrei Gromyko arrived here yesterday for four days of talks with West German leaders on a wide range of issues certain to focus on disarmament.

Gromyko was greeted at the Cologne-Bonn airport by Foreign Minister Hans-Dietrich Genscher, who invited him to an informal meeting before their private dinner last night in Genscher's home.

The first round of official talks is scheduled to begin this morning with a meeting between Gromyko and Genscher.

The Soviet Foreign Minister is scheduled to meet with Chancellor Helmut Kohl tomorrow, and a courtesy call on President Karl Carstens is planned for Wednesday.

Kohl is expected to seek further explanations of Soviet Party chief Yuri Andropov's disarmament proposals and last week's declaration by the Warsaw Pact in Prague.

The Warsaw Pact said it would promise me never to attack with conventional or nuclear arms in Nato would give a similar undertaking.

Disarmament is a volatile issue in West Germany, where Nato plans to deploy the bulk of its new medium-range nuclear missiles this fall if the U.S. and Soviet Union fail to reach an agreement during ongoing arms talks in Geneva.

Gromyko also plans to meet with Hans-Jochen Vogel, Social Democratic candidate for chancellor in the March 6 election, who recently returned from a visit to Moscow.

Moslem group threatens life of Soviet envoy

KUALA LUMPUR, Malaysia (AP). — An underground Moslem group calling itself the International Moslem Brotherhood Organization (IMBO) threatened to kill the Soviet ambassador to Malaysia unless the Soviet Union gets out of Afghanistan, a local newspaper reported.

The weekly *Sunday Star*, in a banner headline story, reported that an anonymous caller told one of its reporters that IMBO was responsible for a shooting last week at the study of Ambassador B.T. Koulik. Police said about 19 shots were fired at the compound, shattering window panes. The ambassador was not in the study and no one was injured.

Surinam officers dismissed in military shake-up

BRIDGETOWN, Barbados (Reuters). — Surinam's air force chief has fled the country and a dozen army officers have been relieved of their duties as part of an armed forces shake-up, the official Surinam news agency (SNA) reported on Saturday.

The announcement confirmed foreign reports that Commander John Vasilda left this week, but gave no reason for his departure. The reports had said Vasilda had arrived in neighbouring French Guiana early last week and had left on Wednesday for an unknown destination, possibly the Netherlands.

SNA said the 12 officers were removed from their posts last Tuesday as the first stage of an armed forces shake-up and "to strengthen the unity and stability of the army."

The military rulers of the former Dutch colony crushed a suspected coup plot last month, killing 15 prominent citizens they said were trying to escape from custody.

The Netherlands responded by cutting off aid to the small South American country, accusing the leftist government of Lieutenant-Colonel Daisi Bouterse of executing the men.

Roman Catholic judge shot dead in Belfast

BELFAST (Reuters). — A Northern Ireland judge was shot dead as he was leaving a church in South Belfast yesterday, police said.

They said two men walked up to Judge William Doyle, a Roman Catholic, and shot him at point-blank range in front of his family. The men escaped in a car.

TRUDEAU. — Canadian Prime Minister Pierre Trudeau arrived in Tokyo from Manila yesterday for a four-day unofficial visit on the last leg of a 17-day tour of Southeast Asia and Japan.

Guerrillas claim El Salvador success

SAN SALVADOR (Reuters). — Leftist guerrillas battling the U.S.-backed government of El Salvador said Saturday night that they had capped a string of military successes last week with the capture of a town astride a key provincial highway.

Radio Venceremos, the insurgents' radio station, said guerrillas had overrun the north-eastern town of Jocotique and that troops guarding the town had fled from their posts.

The radio warned the guerrillas would launch "decisive battles" in coming days. Military sources said this raised the prospect of a rush towards the provincial capital of San Francisco Gotera, only 23 km. south of Jocotique.

The army has acknowledged that the guerrillas' latest offensive has already captured six villages neighbouring Jocotique, and the military high command said yesterday it would launch a counter-offensive today.

(Advertising Section)

THE INSIDE TRACK

A perceptive guide to shopping and services in Jerusalem

A WELCOME AWAITS YOU AT THE BOOK & MUG.

High on expectations, short on wherewithal? Make a bee line for the new cafe/restaurant of SEFER VE SEFEL, in the centre of town. The atmosphere is warm and welcoming and the food is of the "come again" variety. They've warming soups, tasty vegetable pies (mushroom, spinach, cheese, and more), excellent cakes, American apple pie, yummy cheese cake, fresh veg and fruit juices, coffees, teas etc. This is your sort of place — no rip off. Before and after, you've books galore to browse and buy and they've an art gallery. This month — water colours by Yoram Ra'anan. SEFER VE SEFEL (Book and Mug), REHOV YAVETZ 2 (by Yafa 47, between King George and Zion Sq.). Open 9 a.m.—10.30 p.m. Friday till 1.30. After Shabbat.

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Budget Waver

That Mantle Of Leadership Is Showing Signs of Wear

By FRANCIS X. CLINES

"Are you not a Great Wizard?" asked Dorothy. "Hush, my dear," he said. "Don't speak so loud or you will be overheard — and I should be ruined. I'm supposed to be a Great Wizard."

"And aren't you?" she asked.

"Not a bit of it, my dear. I'm just a common man."

— L. Frank Baum's "Wizard of Oz"

WASHINGTON

It is the two-year mark of Ronald Reagan's Administration, time for the traditional Oz-like discovery by America at large that its latest President, beyond the staged thunder of incumbency, is a common man, more finite than voters were led to believe by his campaign rhetoric.

President Reagan is doing his best to maintain his winner's reputation as the Great Communicator, if not the Great Wizard. He has come forth directly to deny reports of "disarray" at the White House. He has severely hushed the "leakers" on his White House staff who lately had been talkative as Munchkins about the Administration's hurriedly patched budget hopes and wishful economic program.

"I'd like to go back to those days when the press never voluntarily quoted a President without his permission," Mr. Reagan said last week, sounding more serious than playful in discussing his information leakage problem with reporters. The President left clear evidence of being greatly troubled about the one source of his political power that, above any other, has been his special province — his rather grand ability to project self-confidence and decisiveness.

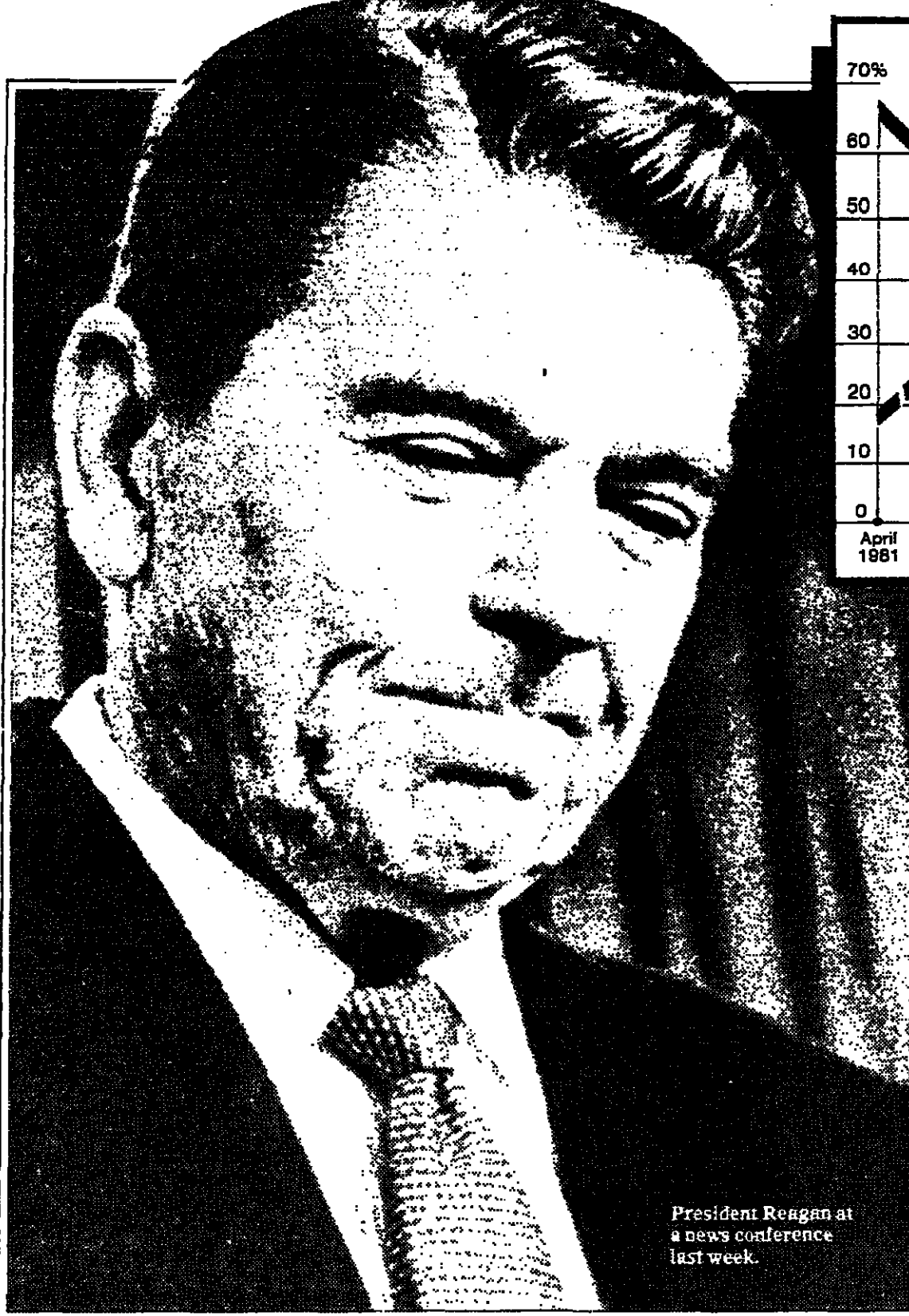
This talent, which even the more porous worriers on his staff describe as a magic they cannot fully explain, helped elect Mr. Reagan in 1980. Even after hearing some now classic Reaganisms about killer trees and other simplified phenomena, the voters preferred his sense of black-and-white certitude to Jimmy Carter's gray and fretful incandescence.

As with President Carter and other predecessors at the two-year mark, Mr. Reagan is undergoing a severe bout of scrutiny and criticism, with his ratings in the polls slipping, his budget deficits ballooning, and questions growing about his leadership in both the domestic and foreign policy fronts.

His closest aides, even as they rush to retort the budget policy and have the President emphasize his interest in arms control, contend Mr. Reagan can stand up to this scrutiny.

While other Republicans position themselves in case the President declines to stand for re-election next year, White House advisers argue an ever tighter re-election scenario, saying there is time for the four quarters of economic recovery needed for a successful run for a second term.

In keeping this option open, Mr. Reagan has begun a



President Reagan at a news conference last week.

The New York Times/Terron Zabala

counteroffensive against press critics, accusing them of "disarray approaching chaos." This is a time-honored tactic, but, significantly in his political art, Mr. Reagan seemed to take care not to show the personal animosity of his predecessors.

Retrenchment and Re-Imaging

At the heart of these moves is Mr. Reagan's intuitive management of his own image. His concern is well illustrated by the current budget shaping process in which the Administration has been pressing to deal with record \$200 billion deficits that may rise even higher in future years.

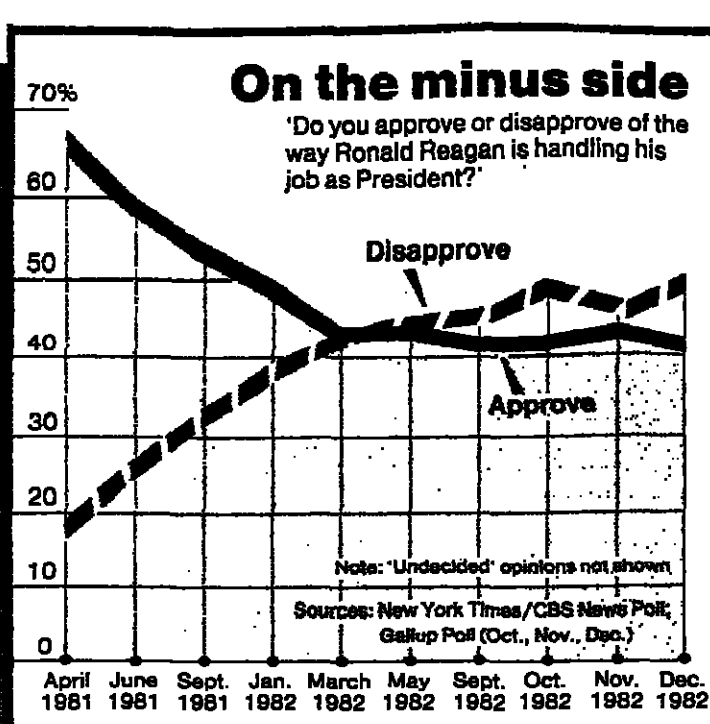
Some participants — denounced as unreliable sources by the President — describe a fair amount of discomfort at budget councils with all sorts of euphemistic innovations, from budget "freezes" to "contingency" taxes, being brought forth as the deadline approaches. One leaker says "disarray" is an understatement and contends the budget crafting process has become "an unmiti-

gated outrage." In any case, the widest skein of compromise thus far in Mr. Reagan's Administration is being prepared for by his strategists and Congressional allies.

Beyond the effects in the coming budget and on the long-delayed economic recovery, the assortment of changes under consideration seems designed politically to shift attention from current deficits to those of future years. In effect, Mr. Reagan's 1980 campaign promises for a balanced budget in 1984 will have been revised to the far more modest promise that the estimated deficits of later years will begin to shrink.

There is comparable retrenchment in foreign policy. The President, who suffered a severe loss in Congress over his MX missile policy, now must face something of a public relations challenge in Europe from the new Soviet leadership.

At the moment arms talks are about to resume, Mr. Reagan has decided to shake up his disarmament staff and give Secretary of State George P. Shultz much



broader authority to supervise the negotiations.

It seems no coincidence that these changes come at a time when various opinion polls show that President Reagan's personal popularity is lower than comparable two-year ratings for other recent Presidents, Jimmy Carter included.

His strategists are talking of somehow turning these numbers around. But they must do so within such constraints as Mr. Reagan's continuing attentiveness to right-wing pressures, and the politically depressing effects of the recession on important voting blocs, such as women.

The President's order that there be no further budget leaks at the White House actually may serve his aides well. For even with his polished and practiced talents in extending private nuances to select reporters, some of the latest changes of course, in the budget area particularly, would be hard for them to rationalize even anonymously as true Reagan doctrine.

Through this period of public relations tenderness, the President has let little note of concession or compromise slip into his public rhetoric. This is in keeping with Mr. Reagan's impressive record of maintaining a profile worthy of Rushmore in public, even as his workers engineer compromise in private.

One disarming part of this posture lately, some leakers complain, is that Mr. Reagan maintains it almost as long in private as he does in public before finally "making himself believe," as one aide puts it, in the latest pragmatic deviation.

"If we have a strategy, it's a strategy of one," another adviser commented in awe as much as worry at the President's performance near the budget deadline.

Democrats contend all the current bother is nothing less than the Emperor's dislike at being told he has no clothes. But many of the President's workers honestly hesitate to quarrel with Mr. Reagan's instinct about how to maintain his public image. They say only he, on the basis of past success, knows best when and how to shift.

This intuitive, close-to-the-vest approach can cause havoc among those Republicans who must implement eventual compromise. The reported retirement decision of the Senate Republican majority leader, Howard H. Baker Jr., has focused on his future Presidential ambitions.

But there are politicians who say it is as much a reading of how risky Mr. Baker senses a 1984 Senate race would be as his shakiness under the Reagan record.

No other modern President can match the actor's concern for appearances wielded by Mr. Reagan. In choosing his own self-image, the President recently described himself as the nation's "bird in a gilded cage."

"I sometimes look out the window at Pennsylvania Avenue," he said, "and wonder what it would be like to be able to just walk down the street to the corner drug store and look at the magazines. I can't do that any more."

His newly muted aides may feel it's just as well, for the magazines are beginning to feature stories about how the Great Communicator may be just a common man after all.

Major News

In Summary

Regan on Deficit: Delay the Day Of Reckoning?

The White House imposed quiet, if not order, on the Administration's green-eyed brigade last week. In the wake of a directive limiting low-level contacts with reporters, Treasury Secretary Donald T. Regan had a near monopoly on the spotlight when it came to talking about Topic A, the budget.

Responding to concerns about projections that put the deficit at nearly \$300 billion by 1985, he said that the Administration wouldn't push for any new taxes in 1983 and 1984, but that 1985 was another matter. Accordingly, it appeared that the Administration's proposed budget for fiscal 1984 — due to be formally unveiled Jan. 31 — would include "contingency" tax increases that would take effect in October 1985 if Federal deficits were not declining sharply by then. The contingencies might include an income tax surcharge or new levies on imported oil or maybe a windfall profits tax tied to decontrol of natural gas. According to Administration tabulations, the standby package would raise some \$100 billion over three years. But there are many who believe 1985 is too long to wait. The Committee to Fight Inflation, a dozen former top Government officials, last week joined the legion of politicians and economists that says taxes must go up soon to head off debilitating deficits that will keep interest rates high and stall economic recovery.

Social Security could be another matter. White House chief of staff James A. Baker 3d said President Regan might go along with a speedup of payroll taxes already scheduled between now and 1990 if they were linked to "reforms on the spending side." The National Commission on Social Security Reform reached a tentative agreement on changes yesterday, but more negotiations are ahead in Congress before reforms are finally shaped. [What next for Social Security, page 2.]

Secretary of Defense Caspar W. Weinberger, apparently after some prodding by Budget Director David A. Stockman and unsavory threats from Capitol Hill, allowed that the

Nuclear politics in Washington and Bonn

3,4

Pentagon could make do with about \$3 billion less in the new fiscal year. It seemed a relatively painless gesture. Few weapons would be touched and much of the cut would come from savings created by lower inflation and reduced fuel bills. Most of the rest would come courtesy of the Pentagon's 2.1 million uniformed rank and file, who would do without a pay raise this year. If Congress went along, by no means a foregone conclusion (especially with the White House poised to recommend a \$30 billion whack from entitlement programs), it would be the military's first raise-less year since the early 1960s. Subsequently, officials said an across-the-board freeze on salaries would be extended to the Government's 2 million civilian hands.

Michigan Representative William D. Ford, chairman of the House Post Office and Civil Service Committee, called the freeze "another example of the President's contempt for Federal workers." Pentagon brass weren't happy either. The Air Force Chief of Staff, Gen. Charles A. Gabriel, reported, when asked, that the Joint Chiefs of Staff hadn't been consulted and that they would rather write a few billions out of research and weapons procurement programs. The general argued that a wage cap might hurt the ability of the Pentagon to sign up and retain enough volunteers to keep the armed services out of a draft.

Meanwhile, the Government reported that wholesale prices climbed a mere 3.5 percent in 1982, due in large measure to the recession. The increase was the smallest in 11 years, the Labor Department said. The Federal Reserve Board said United States industrial productivity declined 6.2 percent last year, the sharpest annual drop in a dozen years. But the December decline was a mere one-tenth of one percent, another signal that the hardest economic times since World War II may be on the verge of easing.

Wordpower Ends Impasse

Israel and Lebanon last week agreed on an agenda for peace negotiations after Israel decided that "normalization" by some other name could work as well. The major issues were still on the table, however.

A three-week impasse in efforts to pull foreign forces out of Lebanon was broken by a United States proposal that normalization of relations, by which Israel seeks to salvage some political gain from its invasion, be called "a framework for mutual relations." With an eye to its Arab ties, Lebanon does not feel quite ready to talk about "normal" relations with the Jewish state. The fact that Israel wanted the subject to lead off the talks compounded Lebanon's embarrassment. In another American-sponsored compromise, committees will discuss future relations, including the circulation of goods and persons, simultaneously with security arrangements and what Lebanon (and the United States) considers the main problem — getting Israel, Syria and the Palestine Liberation Organization to withdraw.

Now all the two sides must do is negotiate, starting tomorrow in Khaldé near Beirut. Israel was still demanding prior withdrawal of the Palestinians, simultaneous withdrawal of the Syrians and a 25-mile security zone in southern Lebanon to be monitored by three stations.

The wider peace effort, involving territorial transfers and what the Reagan Administration sees as an Palestinian entry linked to Jordan, took P.L.O. leader Yasir Arafat to Moscow last week. There he got somewhat restrained support for an independent state federated with Jordan. The practical effects of the Soviet approval were unclear except possibly as a help in keeping radical factions of the P.L.O. in line.



Israeli delegate David Kimche.

Sing Sing Boils Over

Hollywood may have given Sing Sing its notorious reputation but last week the prison lived up to it. For 53 hours, more than 500 inmates of Cell Block B, armed with clubs and homemade knives, held 17 guards hostage in a standoff that brought to mind another uprising 11½ years earlier at Attica, where 43 died.

Like Nelson Rockefeller, Governor Cuomo, despite his renown as a mediator, kept his distance, insisting that all guards be released before talks began. This time it paid off. The hostages, only slightly the worse for wear, were freed and the inmates locked themselves back in their cells.

Not that the negotiations, the first

conducted by the Correction Department's Crisis Intervention Team, went smoothly. The guards were repeatedly threatened — it was "just like the Cagney movies," one said later — and the rebels switched leaders at a bewildering rate. A deal seemed imminent Sunday, about 24 hours after the outbreak began, only to collapse when State Senator Ralph J. Marino, chairman of the Senate Committee on Crime and Corrections, disclosed on television — as inmates watched — that amnesty was not included. In the end, Mr. Cuomo said he wouldn't block prosecution of the prisoners, who could face riot, assault and other charges. Still, the Governor conceded that most of their "requests" were neither "outlandish nor unusual." Among other things, they sought more mail, visitors and recreation time — in short, the privileges accorded inmates at other state prisons but not the "transient" population of B Block.

These days, when prisoners are sent up the river to the Ossining Correctional Facility, as the prison where Charles (Lucky) Luciano and Willie Sutton were housed and the Rosenbergs were executed is officially known, they are supposed to remain in its aged and ill-equipped cells only until a permanent place is found elsewhere. But with New York prisons overflowing, that can take months.

"We've known for a long time that Sing Sing was ready to go," said David Rothenberg of the Fortune Society, a penal reform group. Tensions weren't helped by the deaths of two inmates in August, a month after five guards were among those indicted on drug and bribery charges. A vocational center for Cell Block B, part of \$10 million in renovations, should be open by March. But even as officials began plans to implement the inmates' demands, Wilson E. J. Walters 3d, the Ossining warden, warned that what happened last week "could happen again." (The dismal outlook for prisons, page 6)



People with people in mind.



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Brief Rebellion in Salvador Leaves Scars and Seeds of More Conflict

No Matter Who Won, Washington Lost Ground

By RICHARD J. MEISLIN

SAN SALVADOR — The six-day rebellion of a regional military commander in northern El Salvador ended peacefully last week, but the ill-will and embarrassment it caused are likely to linger.

When the officer, Lieut. Col. Sigifredo Ochoa Pérez, yielded, provisional President Alvaro Magaña was able to declare a victory for military discipline and unity. But far from being chastised for refusing a transfer to the Salvadoran Embassy in Uruguay, Colonel Ochoa appears likely to receive a prestigious appointment to the Inter-American Defense College in Washington — an assignment that will keep him out of El Salvador for a year and will probably make him a full colonel.

The man whose orders he challenged, Gen. José Guillermo García, the Defense Minister, was still in power but with his authority in tatters. The betting among those familiar with the country's military was that he would not be around much longer. General García will complete 30 years of military service next month — the normal span — and the consensus was that he would probably retire, whether he wants to or not.

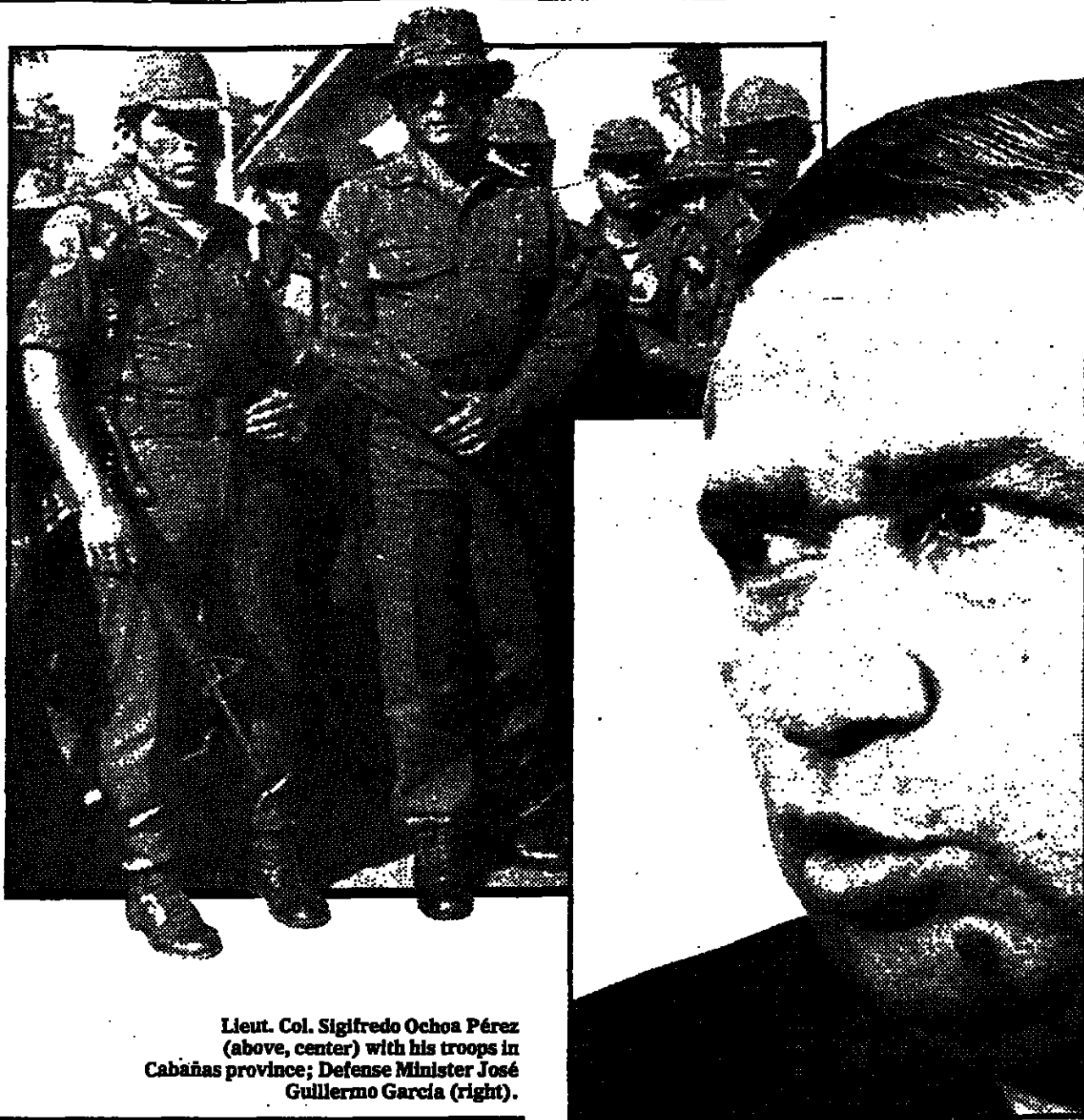
The Reagan Administration, meanwhile, found itself a loser on several counts. Coming just two weeks before it must certify to Congress that El Salvador's Government is making progress, among other things, in achieving "substantial control" over the military men who have tortured and murdered civilians, the row raised questions about the Government's ability even to control its top officers. State Department officials acknowledged the problem but asserted it would have no effect on the certification, which is necessary for El Salvador to continue to receive military aid and advice.

Military experts here, who had been touting Colonel Ochoa for months as the country's most competent field commander, watched with dismay as their favorite soldier threatened the stability of the entire armed forces.

They also found themselves facing the possible loss of General García, who had gained the gratitude of United States officials by promoting human rights and social and economic reforms, such as land redistribution, in the face of stiff opposition from rightists. He was also responsible for helping to impose the moderate Mr. Magaña for the presidency after the United States-backed elections last March resulted, to Washington's dismay, in a right-wing coalition that threatened to take over the Government.

Herein lay a major dilemma for Washington and El Salvador. General García's value as a supporter of moderation and reform is offset by his questionable effectiveness as a military leader in halting the economic devastation inflicted by the guerrillas. Colonel Ochoa may be a rightist with little interest in reform but he is given top marks for military competency.

"Every day, the economy is worse — more unemployed, more of the infrastructure blown up," Ambassador Deane R. Hinton said in a recent interview. "What is happening in the economy tends to strengthen the extreme left. But that's their strategy — destroy the country



Lieut. Col. Sigifredo Ochoa Pérez (above, center) with his troops in Cabañas province; Defense Minister José Guillermo García (right).

United Press International; Gamma-Liaison / John Hongland

so they can save it." Their strategy, experts here say, seems to be working; the army's, for the most part, is not. By some estimates, the economy may not endure the present situation for much longer than six months before it collapses.

People familiar with the Salvadoran military say that only two of the provincial commanders — Colonel Ochoa and Col. Jaime Ernesto Flores, head of San Miguel Province — are competent to conduct an effective counterinsurgency effort.

The rest, they say, are mostly old friends of General García's who have yet to abandon conventional large-battalion fighting techniques in favor of the small, constant patrols needed to counter a guerrilla force.

Aggressive Tactics Shunned

"What you need," a military analyst here added, "is a dedicated body of officers willing to live like ascetics. No matter where you decide to fight the war, you don't do it on a five-day week."

While the three American-trained "immediate response" battalions are also viewed as competent fighting units, they are at the mercy of the military's old guard for their deployment.

General García has yet to order his field commanders

to fight in the more aggressive, more difficult manner advocated by United States military advisers, apparently for fear of alienating his base of support. The United States military detachment here is powerless to influence matters on its own; Congress has restricted it from giving advice on the field-commander level for fear that it might become too involved in running the war.

All this has created growing tension between many of the field commanders and their junior officers who, more recently trained, are more receptive to newer fighting techniques. That tension, in turn, is being exploited by rightist political forces, who are interested not only in winning the war, but in turning back the social changes that have undercut their wealth and power.

At the top of the list, Salvadoran and Western officials say, is the far-right Nationalist Republican Alliance, known as Arena, and its leader, Roberto d'Aubuisson. But for most military analysts, the principal problem is not a possible takeover of the army by outside political forces — which they discount — but the "inertia" of its top command which prevents it from becoming an effective fighting force.

"If they continue to fight the way they have," a military expert here said grimly last week, "they're ultimately going to lose."

Wooing the Disaffected

Peking's New Line Calls for New Heroes

By CHRISTOPHER S. WREN

PEKING — Anyone wondering where all the heroes have gone might contemplate Zhang Hua, who died last summer after he tried to save an old peasant from drowning in a pit of nightsoil.

Mr. Zhang, a 24-year-old medical student in Shaanxi province, leaped into the pit to rescue the 68-year-old peasant, who had been overcome by methane fumes while retrieving the human and animal excrement for fertilizer.

The student fainted, too, and died in the hospital after he was rescued in turn by a passing dairy worker. Mr. Zhang has been hailed posthumously as a national hero, one of several that the Peking regime has glorified lately.

Heroes have been employed to galvanize people to greater industry, self-sacrifice and obedience. China's heroes have been often distinguished, sometimes movingly so, for the banal manner of their deaths.

Mao Zedong used the example of Zhang Side, a soldier who died when a charcoal kiln collapsed on him, for his classic essay, "Serve the People" back in 1944. More recently, the Chinese have been exhorted to "learn from Lei Feng," another soldier killed when a truck knocked over a telephone pole, because he was discovered to have performed numerous good deeds in secret.

Lei Feng remains a paragon for helping others, though his credibility has been undercut by skepticism about where all the glossy photos of his secret good deeds came from or, for that matter, his diary that once circulated in two original editions.

The regime has looked for more contemporary heroes to display, at a time when youth has expressed doubts about achieving the goal of Communism, or even desiring it. One half of China's one billion people were not born when the Communists took power in 1949 and the younger generation acts less impressed than its elders with what has been achieved.

"How can you compare what is now with what used to be before liberation?" asked one young Chinese in Peking. "The past is over. Most young people find comparisons irrelevant."

The president of the All-China Students Federation, Lin Yanzhi, said last month that "most college students now believe in Marxism," following the "misgivings" raised by the Cultural Revolution. His assurance indicated that some still do not and Mr. Lin conceded that "certain students" remained uninterested.

The breed of heroes is subtly changing as the regime appeals to the disaffected. They include not only young people but also middle-age intellectuals, whom radicals



A poster commending Lei Feng to China's youth.

previously persecuted as class enemies and whom the party rank-and-file consequently continues to distrust.

At the National People's Congress last month, Prime Minister Zhao Ziyang extolled Jiang Zhuying, a researcher in optical instruments, and Luo Jianfu, an electronics engineer. Both scientists died in their 40's of illness last year after working too hard. Hu Qiaomu, a leading ideologist, called them the "pride and glory" of the Communist Party and declared that the nation must take better care of its intellectuals.

"Communists advocate self-sacrifice and are ready to give up everything for the Communist cause," Mr. Hu wrote in the People's Daily, "but that does not mean the lives and health of the people fighting for this cause are unimportant."

The Chinese may have become more discerning about heroes. Zhang Hua's death has touched off a rare and lively debate by letter in the press over whether the life of a young medical student was worth that of an elderly peasant. One college student compared it to bartering gold for a stone. Another asked whether the ambition of Chinese youth really should be to die in a manure pit.

A reader responded that part of the money spent by the state to educate students came from the peasants themselves. The party's answer was offered by Wang Zhaoguo, the new secretary of the Communist Youth League, who said that everyone should learn from Zhang Hua because "life becomes meaningless without ideals."

The press glossed over a more subtle question of why Zhang Hua was made the hero and not Wang Baoan, the young dairy worker who took the same risks by successfully pulling him out. A Peking resident cynically suggested that martyrs were more useful.

The authorities have brought to the surface less dramatic instances of model behavior they want to encourage. Since industry suffers from sloppy work and absenteeism, the press publicized Zhou Yongli, a steelworker in Anshan, who has met his quotas into 1982 by moving his bedding and other belongings to his factory workshop. Then there was the 46-year-old opera diva who gave up her roles to a younger singer.

But some Chinese have found their selfless acts resented. Tu Yunyun, a silk factory worker in Suzhou, gave a \$50,000 inheritance to the state and was ridiculed by others as "stupid" or "harboring political ambitions." Miss Tu lamented to the Workers Daily that she never imagined "the matter still would bring so much trouble."

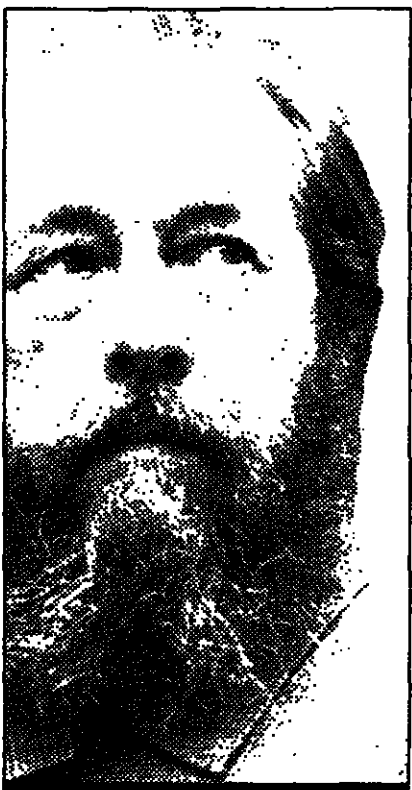
A factory manager in Shandong admitted last year that he put all his model workers together in one shop so they wouldn't embarrass the less productive employees. China's ideologists like to insist that selflessness and heroism are virtues alien to capitalist countries, but there is evidence that Chinese heroes don't always fare that well either. Last spring, Chen Yanfei, a worker who was five months pregnant, dove into Shanghai's polluted Suzhou Creek to retrieve a drowning woman. Two things happened when Miss Chen swam back to shore. She found her handbag stolen. And she came down with a cold.

In Anguish, a Soviet Writer Begged to Leave His Homeland Last Week

Publish — on 'Social Command' — or Perish



Giorgi N. Vladimov



Aleksandr I. Solzhenitsyn



Vladimir Voinovich

By SERGE SCHMEMMANN

MOSCOW — The writer Giorgi N. Vladimov last week finally raised the white flag, as he put it, and asked to leave the Soviet Union. He and his wife had been searched and questioned by the K.G.B., his typewriter, drafts and letters were confiscated, and he was ordered to repudiate his "anti-Soviet" activities in a letter by Jan. 20 or face unspecified consequences. Instead Mr. Vladimov wrote to Yuri V. Andropov. He would not recant; he was prepared for prison but not to have his wife arrested. "I propose another solution," Mr. Vladimov told the new Communist Party leader, "less damaging to our Government's prestige. I am ready to quit Russia. To be forced into this is painful and humiliating for us."

How Mr. Andropov will respond is anybody's guess. But for Mr. Vladimov it was a reluctant acknowledgment that the system in which he began as a literary celebrity 20 years ago, and ended up as a harassed outcast, was not about to relent. The same resistance to writing not sanctioned by the state or useful to it that drove many of Russia's finest postwar writers abroad — Aleksandr I. Solzhenitsyn, Joseph Brodsky, Vladimir Maximov, Andrei D. Sinyavsky, Vladimir Voinovich,

Vasily P. Aksyonov, Lev Kopelev — was now squeezing Mr. Vladimov out.

His short novel, "The Big Ore Lode," made him a young star in 1961. In "Three Minutes of Silence," he painted fishermen in the northern seas in less than heroic terms, and the critics attacked him. Then, when he produced "Faithful Russian," about the freed labor camp dog who nostalgically rounds up free workers, the Establishment turned its back on the writer.

By 1977, with most of his friends already expelled, Mr. Vladimov quit the Writers' Union in disgust, announcing, "I exclude you from my life in the name of all those whom you have excluded." In the Soviet Union, as Mr. Vladimov learned, to be excluded from official recognition is to face constant harassment and pressures. He would write a few pages and hide them, unable to revise or reread them. To show them to a fellow writer was to "disseminate anti-Soviet slander;" to send them abroad was treachery. "Every writer who writes anything in this country is made to feel he has committed a crime," Mr. Vladimov said. His K.G.B. interrogator put it differently: It was the duty of a writer, he advised him, to produce on "social command" — for example, when President Reagan needs denouncing or a dam needs praising.

However put, it is a policy that has choked literature

throughout the 60 years of Soviet history, except for brief and intense creative eruptions in the early revolutionary years before Stalin imposed Socialist Realism, and during the Khrushchev "thaw" of the early 1960's. Not surprisingly, it is the work of these two spurts that grates most irritatingly on the commissars of Soviet letters.

This came out quite candidly last fall in a closed-door policy speech by Felix Kuznetsov, a prominent critic and head of the Moscow writers' organization, to the organization's Communist Party activists. Excerpts were published in the union's restricted-circulation bulletin. They provide telling glimpses into Establishment anxieties about the great poets of the silver age of the 1920's and the "dissidents" of the past two decades.

Present Company Included

Following classical Soviet practice, Mr. Kuznetsov attributed any deviations from Socialist Realism — along with most other problems in Soviet literature — to the subversive wiles of the bourgeois West. What seemed to trouble Mr. Kuznetsov most, however, was that Western tastes and teachings had not followed Soviet dictates, or, as he put it, that "it is characteristic for bourgeois propaganda to attempt to distort the genuine history of Soviet literature and art, and to render it somehow shady." He added, "With this aim, the enemy uses all kinds of ways to push to the front ranks artists who form an important, but by no means exhaustive part of our artistic culture, like Marina Tsvetaeva, Anna Akhmatova, Osip Mandelstam, Boris Pasternak, Isaac Babel, Andrei Belyi etc." Those Mr. Kuznetsov named are, in fact, ranked among the finest modern Russian poets and writers.

Mr. Kuznetsov was even more indignant at the "ideological foe" for the contention that Russian literature cannot be divided into Soviet and emigré, as the Soviet authorities would like, but only into good or bad. He noted with alarm a recent American anthology in which writers who had managed to stay in the good graces of the Soviet authorities, like the late Yuri Trifonov or the "village writers" — Vasily Shukshin, Vasily Belov and Valentin Rasputin — were intermixed with "dissidents" like Solzhenitsyn, Voinovich and Vladimov.

Acknowledging that a writer who has defied the Soviet state can be "good" would undermine the premises on which artists like Mr. Vladimov are persecuted. Mr. Kuznetsov, to be sure, has a different logic: "Things must be going badly for the so-called dissidents if they are obliged by trickery to attach themselves to Soviet literature, which they betrayed and sold out."

But for Mr. Vladimov, the troubling question is whether a national literature can exist at all, if its practitioners are deliberately dispersed. "Russian literature can really exist only if the writers are all in Russia, reading each other, talking, writing," he said. "Breaking the writers apart tears literature apart. It tears the creative process. Could we have had a Pushkin or Lermontov if everybody lived abroad?" As for betrayal, he wrote to Mr. Andropov, "I did not voluntarily leave my country during years that were difficult for it and I hope, within the limits of my powers and abilities, to serve it yet, living abroad, until such a time as we can return."

Arms Control Chief's Dismissal Alarms Europe but Is Expected to Make Little Difference

Rostow, Not Exactly on the Inside Track, Gets Derailed

By LESLIE H. GELB

WASHINGTON — President Reagan's dismissal last week of Eugene V. Rostow as Director of the Arms Control and Disarmament Agency looked like high drama: Moscow continuing its "peace offensive" for the hearts and minds of Europeans, Mr. Rostow pressing to find common ground with Moscow and finally, the far right felling him and thus dashing hopes for negotiations.

Alas, the reality was more prosaic. Mr. Rostow was asked to leave principally because of bad personal chemistry between himself and most other senior members of the Administration. By virtually all accounts, his departure and the designation as his replacement of Kenneth L. Adelman, the number two man at the American Mission to the United Nations, will have little impact on the substance of Administration arms control policies. Indeed, if Mr. Reagan is contemplating compromises, as is continuously rumored, they will result from political pressures in Western Europe and here at home.

Since "inside" stories about Mr. Rostow's firing were fueling those pressures, Secretary of State George P. Shultz moved quickly to reassure Western Europeans. Administration arms control policy "stands," he said. It is far from clear that this is what most European leaders really wanted to hear. In Europe, there is considerable doubt about United States seriousness in negotiating arms limits. There is also strong sentiment that it is now up to the White House to respond to the latest Soviet initiatives on limiting intermediate-range nuclear forces in Europe. The West German Social Democratic leader, Hans-Jochen Vogel, said last week that Soviet leaders had told



Kenneth L. Adelman

Morton I. Abramowitz

David F. Emery

Associated Press; United Press International

him privately about new concessions in the offing. Specifically, he said, Moscow was ready to negotiate parity in numbers of missile warheads and not just missiles. This was seen as significant because Moscow's lead in warheads on intermediate-range missiles is even greater than its lead in these missiles.

In his farewell remarks, Mr. Rostow underlined his harmony with European sentiments: "If our people, our allies, and our friends lose faith in the wisdom, the energy, the imagination and both the firmness and intelligent flexibility of our arms control efforts; if it is not obvious to them and to us that the absence of agreement is the fault of the Soviets and not of the United States, two consequences will surely follow — it will be impossible to achieve worthwhile agreements with the Soviets, and our alliance systems will be in grave peril."

Inner Team Unchanged

It was concern about losing such a voice from high Administration councils that alarmed Europeans. But according to officials in his own agency and every other department involved in arms control, Mr. Rostow has not been a central figure in these deliberations for some time. That was made clear two weeks ago when the White House, under pressure from right-wing Republicans, withdrew support for Robert Grey, a career foreign service officer, to be Mr. Rostow's deputy. Since Mr. Rostow would not accept the hint, the unceremonious push was inevitable. "The inner team has been and will continue to be Clark, MacFarlane and Shultz," said a White House official. He was referring to national security adviser William P. Clark, Robert C. MacFarlane, his deputy, and the Secretary of State.

That inner team also includes Paul H. Nitze, the American negotiator in the intermediate-range nuclear forces talks and the main force behind efforts to look for common ground with Moscow. Last summer, Mr. Nitze and Mr. Rostow were admonished by the White House for reaching a tentative understanding with Soviet negotiators that went beyond instructions — and which the Kremlin also rejected — calling for a mutual reduction. Revelations about these incidents have added to suspicions about the Rostow departure. Nonetheless, several officials argued that the ouster strengthens Mr. Nitze and that having dismissed one conservative Democrat, Mr. Rostow, the White House would be even less likely to tackle another and risk losing this important bloc of supporters.

Mr. Adelman, while a Republican, also has close ties with conservative Democrats. He was a member of the Committee on the Present Danger, a conservative group that believes the Soviet Union has gained military superiority and that the United States received far too little

from past weapons treaties. In his writings, Mr. Adelman has said that American rearmament is the first priority and that not much should be expected from arms control.

This general skepticism about the benefits of arms control was widely shared by senior members of the Reagan team. Once in office, they proceeded to devise proposals for what they called "real arms control," amounting to proposals for deep reductions in intercontinental-range missiles and bombers and complete elimination of Soviet intermediate range missiles. There was and is little thought that Moscow would accept these proposals, which mandated far deeper cuts by Moscow than by Washington. But the prevailing sentiment in the Administration has been that if Moscow failed to agree to such terms, no agreement would be better than any agreement.

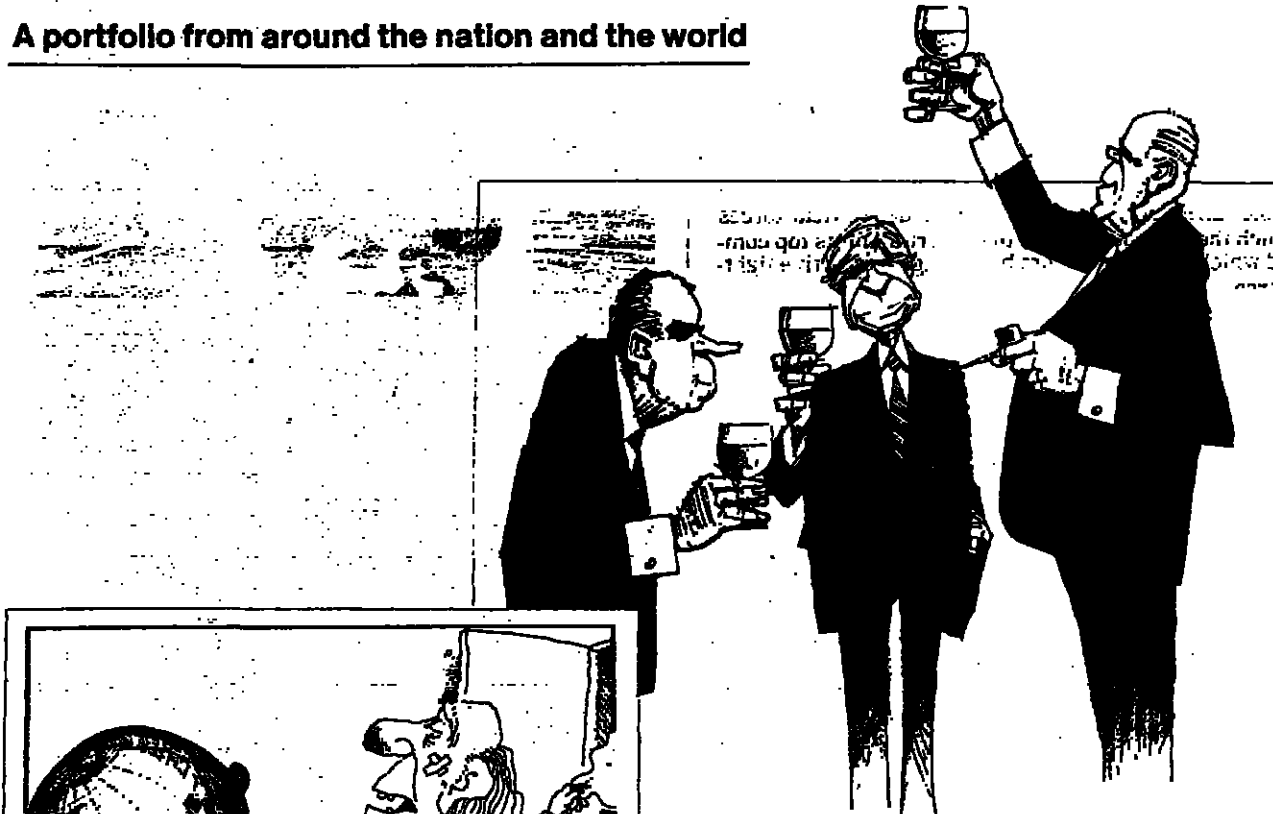
Where will Mr. Adelman fit into the picture? Officials who know Mr. Adelman well say that while he is not an expert in these matters, he will feel quite comfortable with Administration proposals. As to whether he will side with Pentagon officials who are resisting altering current positions in Geneva or with State Department officials who favor some change, the answers are mixed. Mr. Adelman is said to be much closer personally to Richard R. Burt, the Assistant Secretary of State-designate for European affairs, than to Richard Perle, the Assistant Secretary of Defense for policy. Prospects for Mr. Burt's confirmation seemed to brighten last week as well. The State Department was also pleased when Morton I. Abramowitz, a career foreign service officer, was nominated to head the American delegation to the East-West talks in Vienna on reducing conventional forces in Europe.

In any event, it will be some time before Mr. Adelman is brought up to speed on the substance of the negotiations and carries much influence. His agency is in a considerable state of disarray, having become a political football between Mr. Rostow, the White House and far right Congressional Republicans. His designated number two man, David F. Emery, a defeated Congressman from Maine, also lacks a background in this area. "This would be a tremendous setback if there were a lot of new work going on in the bureaucracy, coming up with new proposals, where the agency's expertise would be useful," said an official of the Arms Control and Disarmament Agency last week. "But that isn't happening at the working level, at least."

President Reagan did little to clarify whether he would pursue a more conciliatory path on arms control in his remarks in an informal press conference about the week's events. On the one hand, he talked about a "streamlined" negotiating team, which seemed to hint at movement. On the other, he gave no indication of any change in position.

Views

A portfolio from around the nation and the world

Paul Conrad
The Los Angeles Times
The Los Angeles Times Syndicate

"Goodbye"



"Hello"

Renan Lurie
The London Times
Universal Press Syndicate

"I've had ... m going into aluminum siding!"

Mrs. Heckler May Be an Outspoken Successor

With Budget Axes All About, Schweiker Preferred a Scalpel

By ROBERT PEAR

WASHINGTON — A paradox ran through the tributes paid to Richard S. Schweiker after he offered his resignation as Secretary of Health and Human Services last week to become the chief lobbyist for the life insurance industry. For to the extent that he was well regarded by President Reagan, it was because he loyally carried out the President's policy of reducing Federal outlays, or the growth of Federal outlays, for health, welfare and social service programs. And to the extent that he was admired by special interest groups and constituents served by his department, it was because he defended these programs.

Mrs. Heckler's Choices

Obviously, it is difficult to assign credit to one person for cutting and defending the same programs at the same time — unless, as Mr. Schweiker would argue, his achievement was to make cuts in the most judicious manner possible. But for two years as head of the largest Cabinet department, Mr. Schweiker did have it both ways. He portrayed himself as a loyal servant of the President, never speaking out in public to criticize the White House and never permitting his aides to engage in the time-honored Washington game of bureaucratic backbiting.

Similar choices await Margaret M. Heckler, whom Mr. Reagan selected to succeed Mr. Schweiker. The eight-term Republican Representative from Wellesley, Mass., was defeated last November. Her record as a moderate and her sex made her politically attractive to the President, who is eager to shore up his standing among women and among centrists in his party. But Mrs. Heck-

ler's standing with the White House is likely to vary inversely with her popularity among public health and welfare advocates. Her record in Congress suggests that she will be more outspoken than Mr. Schweiker, who rarely evinced strong feelings about any issue. Indeed, he was so taciturn that his own politics remained something of an enigma, and he was not completely trusted by either conservatives or liberals.

Mr. Schweiker had been one of organized labor's closest allies in Congress until 1976, but he was moving to the right even before he joined Mr. Reagan as his Vice Presidential candidate that year. In Congress, Mr. Schweiker opposed gun control, supported school prayer and was against the use of Federal money to pay for abortions. He was being true to his conservative instincts when he announced last week that he had approved a rule requiring certain family planning clinics to notify the parents of young women who received prescription contraceptives. The Planned Parenthood Federation of America immediately filed a lawsuit seeking to nullify the rule.

One of Mr. Schweiker's major embarrassments on Capitol Hill arose from his effort to reduce the regulation of nursing homes in keeping with President Reagan's goal of regulatory relief for private enterprise. Congress twice passed laws blocking any change. The department, under Mr. Schweiker, never figured out precisely how public health should be weighed in the calculus of costs and benefits.

In an era when the spirit of Government and the nation has grown less generous, Mr. Schweiker's achievement seems to consist more of harm averted than acts of beneficence. He helped preserve funding for Head Start, which provides preschool services for poor children. But his first love was the National Institutes of Health, the world-famous biomedical research complex. Mr. Schweiker constantly resisted cuts in the N.I.H. budget, continuing a campaign that he began as a member of Congress, where he developed a strong interest in medical issues. He had been the ranking Republican on the health subcommittees of both the Appropriations Committee and the Committee on Labor and Human Resources.

Mrs. Heckler brings little of that detailed knowledge to the job. She served on the Science and Technology, Veterans Affairs and Joint Economic Committees. Not having been extensively involved in health or income security matters, she has much to learn. Social Security, by far the biggest program in the department, is so politically explosive that key policy decisions, when they are made, come from the White House. Mrs. Heckler cannot hope to play more than Mr. Schweiker's secondary role on the issue. If she can master the intricacies of Medicare, the health insurance program for the elderly, in less than one year, she will have proved a rapid learner.

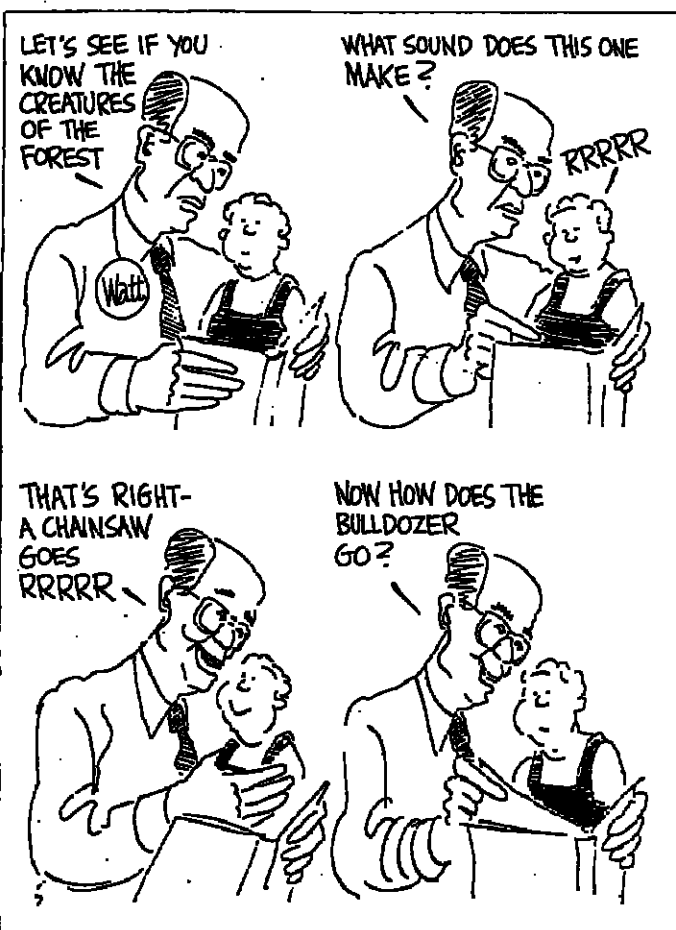
Inherited Issues and Aides

As Secretary, Mr. Schweiker devised an elaborate proposal for paying hospitals fixed rates, set in advance, for treating all Medicare patients with a particular diagnosis. Whether Mrs. Heckler or anyone else in the Administration will push for that proposal is unclear. The White House stipulated that she should not publicly discuss her priorities before her confirmation hearings.

In an effort to keep medical expertise at the top of the department, Mr. Schweiker urged President Reagan to promote Dr. Edward N. Brandt Jr., the Assistant Secretary for health, to the second-ranking position. Instead, Mr. Reagan chose a loyal, conservative Californian, John A. Svahn, to be Under Secretary. For the last two years, Mr. Svahn has been Commissioner of Social Security, dealing with an issue that will surely dominate the department's agenda in the next two years.

In an analysis of Mrs. Heckler's voting record, the American Public Health Association, an organization of 50,000 health professionals, gave her a 65 percent rating. She agreed with the association on 15 of 20 votes involving health issues. She disagreed on bills involving abortion and health spending. In general, she has been a strong supporter of women's rights, but she opposes the use of Federal money to pay for abortions.

Mrs. Heckler usually supported the President on budget questions. But last September she joined 80 other Republicans in voting to override his veto of a \$14.1 billion supplemental spending bill. The House vote represented the first major breakdown of Republican unity on fiscal votes in the last Congress.

Dan Wasserman
The Los Angeles Times SyndicateDoug Mariette
The Charlotte Observer
King Features Syndicate

The World

Western Press On Short Leash In Poland

Will locking up the messenger prevent bad news? Poland's military rulers evidently think so. Last week they detained, then expelled a reporter for United Press International, Ruth Gruber, and banned a correspondent for the British Broadcasting System, Kevin Ruane, after closing down the BBC bureau in Warsaw. Underlining the obvious, a Government spokesman told the foreign press corps that the expulsions should be taken as "a warning signal" not to deal with opposition groups or engage in "intelligence" gathering.

Official ire toward Western news organizations, and even Western embassies, was also felt when work permits were denied or delayed for Polish employees. The action against Miss Gruber suggested a possible framework to the State Department, which said the charges against her "appear to have been manufactured by the Polish Security Services," and indicated it might retaliate against Polish correspondents in the United States. Miss Gruber was taken into custody after her assistant went to the train station to pick up photographs sent anonymously from Gdansk and was arrested by waiting policemen. The reporter was held incommunicado and questioned for almost a day before being expelled for allegedly gathering intelligence and for "venomous" reporting.

The bad news continued all the

same and was even officially confirmed. Stanislaw Ciosek, Minister for Trade Union Affairs, acknowledged, for example, that few workers were joining the closely controlled trade unions the Government is trying to substitute for the outlawed Solidarity. "There is a boycott everywhere," Mr. Ciosek said. But reconciliation did not seem to be a Government priority. Solidarity leader Lech Walesa was turned away at the Gdansk shipyard when he sought to regain his electrician's job.

In the midst of all the sourness, Pope John Paul II indicated he was having second thoughts about visiting his homeland in June. In recent weeks there has been more than usual tension between the Vatican and the Soviet bloc. Praying in Rome to the Virgin of Czestochowa, the principal object of his pilgrimage, the Pope said, "To You I entrust it and how it will take place."

Tweaking Uncle, But Not Too Hard

Bringing the foreign ministers of countries that profess nonalignment to Managua last week was an achievement in itself for the Nicaraguan junta, which used the occasion for speeches, news conferences and rallies attacking Washington. An effigy of Uncle Sam swung from a lamp post on the main boulevard as the foreign ministers argued over how far to go in endorsing the harsh language proposed by Nicaragua and Cuba, which is the current president of the 97-nation group.

In the end, the rhetoric was toned down, but the meaning was clear. The communiqué denounced "threats and acts of aggression against Nicaragua, the financing of undercover actions, the use of U.S. territory and that of Nicaragua's neighbors for training of counter-revolutionary forces."

The ministers also picked up the Sandinist charge that Washington was using Israel to further "its interventionist policies in Latin America." Israeli Foreign Minister Yitzhak Shamir visited Costa Rica in October and Defense Minister Ariel Sharon was in Honduras last month. The declaration also demanded a halt to "imperialist intervention and repression in El Salvador," calling on the United States to "take a constructive stand" for a peaceful solution.

British policies in the Falkland Islands also came in for criticism. The ministers backed Argentina's demand for action to end British rule in the islands. But Margaret Thatcher made no secret of her lack of interest. On the eve of the Managua meeting, she flew 8,000 miles to show solidarity with Falkland residents who insist on remaining British.

Drawing the Line At Chocolate

Japan, last week arranged to sweeten the background music for Prime Minister Yasuhiro Nakasone's visit with President Reagan on Tuesday. On some politically sensitive American export issues, however, dissonance persisted.

Mr. Reagan promised the American Farm Bureau Federation in Dallas last week he would buttonhole Mr. Nakasone about Japan's restrictions on American beef and citrus fruits. But the Prime Minister, while announcing plans to remove non-tariff barriers — notably on cigarettes, chocolate and cookies — was unyielding on the subject of red meat and oranges. On that score, he said, "Japanese farmers have extremely strong interests." Nine million farmers signed petitions to underline his point and 10,000 of them marched past the American Embassy in Tokyo chanting "no more beef, no more



Associated Press
Policemen using smoke bombs to flush youths from an abandoned apartment building they were occupying in Copenhagen.

oranges," as well as "down with America."

It would take a mountain of agricultural exports to cut into Japan's record \$18 billion-plus trade surplus with the United States in 1982 — more than double the 1980 gap. The President hopes to take up some of the slack with American weapons sales. Largely to placate Washington, Tokyo is raising defense spending by 6.5 percent this year.

American officials were also pleased with a new Japanese aid program for South Korea, which Mr. Nakasone announced last week in Seoul. A few days earlier, South Korea had released from prison the democratic opposition leader, Kim

Dae Jung (now in the United States for medical treatment) and the timing was evidently no coincidence. Seoul sprung Mr. Kim and Tokyo sprung for a five-year \$4 billion economic aid package.

China Talks Fall

The United States seeks stronger ties with China but business is business, as Peking discovered last week. A fourth round of talks on limiting Chinese textiles in the American market ended in disagreement and Washington imposed import curbs on its own. Secretary of State George P. Shultz, who will be making a goodwill visit to China next month, may find it hard going; the angry Chinese

threw all the blame on Washington. Despite its commitment to free trade, the Reagan Administration had been forced to take account of the protectionist sentiment that pervades the textile industry — as it does all others that have been hit by hard times. China is the world's biggest textile producer and the fourth biggest exporter to the American market where its sales of relatively low-priced goods have been steadily rising. Under pressure from domestic manufacturers, the American negotiators sought to limit the annual increase to about 1.5 percent to 2 percent. The Chinese, citing their overall trade deficit with the United States, sought at least a 6 percent increase.

Rampage of The Rootless

Recession has hit hard in Europe's crowded cities, pinched for jobs and housing. Last week in Copenhagen, young people drawn from even worse-off rural areas exploded in frustration when police used smoke bombs, water cannon, dog patrols and mass arrests to clear squatters from seven buildings slated for demolition.

The evictions touched off one of the worst riots in the Danish capital's history. Rampaging youths, some of whom escaped through specially prepared underground tunnels, burned cars and trashed shop windows. "There are not many windows left anywhere in the center of the city," a police spokesman said.

Going back more than a decade, when squatters broke into unused military barracks on the city outskirts, Copenhagen has been a center for free-living young people and hashish-dealing hangers-on from much of Scandinavia.

As hard times have deepened, police have battled to evict squatters under similar conditions in West Berlin, London and several Dutch cities. In Amsterdam a few years ago, authorities conceded defeat after one skirmish, purchasing a handful of squatter-defended houses and agreeing to legalized low-rent occupancy.

Henry Glinzer
and Milt Freudenheim

Soviet 'Peace Offensive' Visit Catches Election-Nervous West Germans at a Vulnerable Time

Bonn's Climate Is Perfect — for Gromyko

By JAMES M. MARKHAM

BONN — The Soviet Foreign Minister, Andrei A. Gromyko, was to arrive today in West Germany just as a momentous election campaign is gathering steam. Some weeks back, the Gromyko visit looked like a nice opportunity for the new Chancellor, Helmut Kohl, to demonstrate that his conservative Christian Democrats could deal with the Soviet Union, preserving continuity in policies staked out by Helmut Schmidt's Social Democrats.

Mr. Kohl may still reap this statesmanship bonus. But, as debate quickens regarding deployment of American medium-range missiles in West Germany, Mr. Gromyko's first sally to the West since Yuri V. Andropov came to power looks like an even better opportunity for Moscow to push its latest "peace offensive." The Foreign Minister can woo West German public opinion and portray the new Soviet leadership as profoundly interested in an arms limitation agreement with the United States. Countering Moscow's offensive, President Reagan announced he was dispatching Vice President Bush to Western Europe on a similar errand of peace later this month.

Mr. Gromyko comes to fertile territory. Last week, the first cracks in Chancellor Kohl's coalition opened on the missile issue. And Hans-Jochen Vogel, the Social Democratic leader, came home from image-burnishing visits to Washington and Moscow saying the Reagan Administration ought to make concessions in the Geneva arms talks and limning a few proposals that Mr. Andropov spelled out to him during a 2½-hour conversation. Mr. Reagan allotted only 20 minutes for Mr. Vogel, who has an outside chance of becoming chancellor after the March 6 election. Last week, Pravda showed its sympathies in the race, accusing the Christian Democrats of backing

"Washington's aggressive course."

Until a few days ago, Chancellor Kohl's team was doing an admirable job of holding fast to the Reagan Administration's "zero option" negotiating posture. Under the zero option, the North Atlantic Treaty Organization would cancel deployment of medium-range missiles this year if the Soviets agreed to dismantle their SS-20's and other missiles aimed at Western Europe. NATO strategists had reckoned that the zero option strategy would only be effective if the allies muffled their doubts and stood behind it. The Social Democrats, thrown out of power in October and armed with polls showing most West Germans oppose the NATO missiles, were the first to voice their doubts. Mr. Vogel said last week he had found new indications of flexibility in Moscow.

Etching a Profile

Last week, Foreign Minister Hans-Dietrich Genscher subtly broke ranks with the Government coalition and, out on the stump, talked about an "interim result" at Geneva short of the zero option. Mr. Genscher's waffling showed how the issue had become a political football. Polls indicate that the Foreign Minister's small and divided Free Democrat Party could be cast out of the Bundestag in March. The Free Democrats need desperately to etch a profile distinct from their Christian Democrat partners. Mr. Genscher seems to have calculated that sounding a little more compromise-prone on missiles might do the trick.

Irritated, the Chancellor pulled Mr. Genscher back into line and the Foreign Minister was obliged to recant his "interim result" heresy. But it is not certain that the anxious Free Democrats will stay on board. The episode suggests how soft and malleable political support is for the missiles. The Social Democrats fear deployment will

put West Germany in a position of active confrontation with the Soviet Union; the Free Democrats are looking for votes. This is good news for Mr. Gromyko.

When Mr. Kohl became Chancellor just over 100 days ago, some people in the Reagan Administration rejoiced at the thought that Bonn finally had a Government that would take a tough line with Moscow. Administration officials learned differently at a seminar held by the Christian Democrats' Konrad Adenauer Foundation in November. While Administration envoys portrayed the Soviet Union as militarily aggressive, although economically crippled, their hosts were inclined to see a more stable nation whose aggressiveness stemmed importantly from a sense of insecurity.

The defining issue of these contrasting analyses has been East-West trade. Rhetoric out of Washington about destabilizing the Soviet Union through trade sanctions has made West German policymakers shudder. "There is still a basic difference in the assessment of what economic relations with the East mean," a senior West German official said. "We really believe that well-balanced economic relationships are a stabilizing element and something that is good in itself."

Mr. Kohl lined up with other Western Europeans in opposing the Reagan Administration on the trans-Siberian pipeline sanctions, and Washington retreated into a face-saving formula, shelving the issue. Now, with a difficult campaign ahead, Mr. Kohl wants to come down on



United Press International
Yuri V. Andropov (right) with Hans-Jochen Vogel (left) in Moscow.

the winning side of the debate about the best tack to take in Geneva. His Christian Democrats could end up badly isolated if the United States made concessions at Geneva before the March 6 vote. The upheaval in the Reagan arms negotiating team last week did nothing to reassure Bonn that the American course is set, or even predictable.

Mr. Gromyko, by contrast, is utterly predictable. Bonn officials expect that he will not bring new proposals but will use the visit to renew the Warsaw Pact call for a nonaggression treaty with NATO and to embroider on Mr. Andropov's latest arms reduction proposals. The main beneficiary of this message may turn out to be not Mr. Kohl, but rather Mr. Vogel.

Corsica, School Dispute, Plagiarism Charges Conspire to Undercut Mitterrand

What's the Socialist Cure for Two Left Feet?

By JOHN VINOCUR

PARIS — All of a sudden, governments lose their touch. They bump into things, botch them. They slip on roller skates and knock over flower pots. Whether the cause of the trouble is important becomes secondary; to the public, the government looks like a klutz.

A lot of things have gone wrong in France for the last month or so, and none of them are, in any totally direct sense, President François Mitterrand's doing. Missing equipment leads to the cancellation of a television speech, a chief presidential aide gets accused of plagiarism, violence starts up again on two French islands, and a dispute about Government control over private schools starts awkwardly and stops embarrassingly. These events are not interrelated, but blurred together in a short period and compounded by severe economic problems that have thus far defied Mr. Mitterrand's solutions they seem to have cut into his capital of confidence.

The loss, reflected in a slow drop in the public opinion polls, seems mainly in the vague, intuitive area where competence, seriousness and strength are judged. Somewhere during his four-year term, Jimmy Carter moved into the zone of broken crockery and never re-emerged. François Mitterrand has not really entered it, but his Government has just spent a month along its borders.

For many of the French, the failure of the crane to show up to transmit the President's New Year's interview, a slip that led to the ouster of two state television executives, illustrated both bureaucratic indolence and a lack of control from above. In a much more serious way, the shootings in Corsica and the killing of a few days of two policemen in the Pacific territory of New Caledonia also seemed to come from insufficient authority and substance — in these cases, too much talk of autonomy a year ago, and a failure to dose it out effectively since.

Clumsiness was seen in the decision to dispatch a big crimefighter to Corsica, a police official named Robert Broussard, best known for catching crooks and getting into a murderous gunfight on Boulevard St. Germain in Paris a few years ago when less force might have been used. Some Corsicans considered the policeman's arrival an insult because it seemed an invitation to turn a political problem into institutionalized violence. Leftists in Paris did not think much of the choice of Mr. Broussard either; he was not their symbol of progressive politics.

Who's In Charge?

The private school issue, involving the Socialist Government's interest in taking more direct control of the one out of six students who are outside the public system, also became a mess. At first, no French political commentator could furnish a fully rational reason why the Government would want to challenge a large part of the Roman Catholic electorate — 95 percent of the private schools are church-affiliated — just before nationwide municipal elections in March. But when the Catholic school board said it would refuse to discuss the issue on the basis of the Education Ministry's proposal, the same Government that tried to look tough on Corsica backed away from the fight over schools by dropping the question for the time being.

The result has been a widening sense of who's in charge here? It is one the French like as little as too much control.

None of these problems touch Mr. Mitterrand as directly as the accusations of plagiarism against Jacques Attali, his special counselor and Cabinet spokesman who sits in the office next door. The charges imply intellectual sloth more than dishonesty, so Mr. Attali is no Bert Lance. Yet for the first time in his presidency, Mr. Mitterrand's staff has come under fire and the issue is again how much rigor is going into the business of governing France.

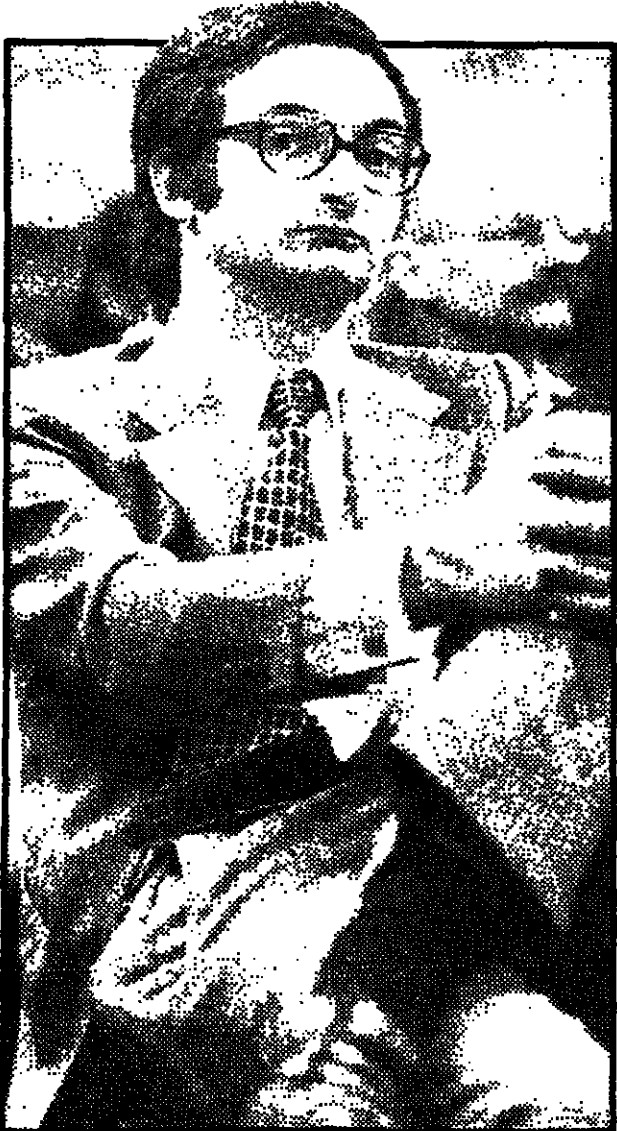
The accusations against Mr. Attali involve his book "Histoires du Temps," a half-scholarly, half-popularized examination of the notion of time in history, which has been in fourth place on the nonfiction best-seller list. A few passages appear to have been taken from other works without proper annotation.

To segments of the far right, ever eager for evidence that Mr. Mitterrand and his friends are liars and frauds, Mr. Attali is a plagiarist. To the large number of people who respect his intelligence, he got involved in a very sloppy research and editing job that cannot serve Mr. Mitterrand's interest in intellectual irreproachability.

When Jean-Edern Hallier, a writer who professes leftist opinions, called for Mr. Attali's ouster this week, he insisted it would be as logical as the dismissal of the state television bosses. Overkill, perhaps, but the demand stitched together two elements of a messy pattern that was hard for public opinion to ignore.

The incidents presented Mr. Mitterrand with a new variety of difficulty. Thus far, opposition groups have been able to question the validity of French Socialism's theories, the rigidity or the romanticism of some of its concepts, and the inexperience or doctrinaire convictions of this or that Socialist leader. But with the confused events, each of limited importance, of the past month comes a new kind of question: Just how good is the Government's practical judgment, its sense of proportion, its consistency?

Mr. Mitterrand had, nonetheless, a nice moment of relief. Jacques Chirac, the Mayor of Paris and the leading opposition figure, got in trouble telling a group of American correspondents on a not-for-publication basis that he thought the President may have been knowing "accomplice" of the Communist Party since World War II. The story somehow reached the French press and Mr. Chirac was widely criticized for talking down a compatriot to foreigners, a gaffe here equal to losing a television crane.



Katherine Young/Rush
Jacques Attali

The Bulls of Tel Aviv

Prices are soaring on Israel's busy stock exchange amid worry about trading abuses.

By NATHANIEL C. NASH

THERE'S a saying on the Tel Aviv Stock Exchange, where confidence is high and brokers tend to gloat: "In America, if they can't keep the Dow Jones over 1,000, why don't they just give it to us? We'll push it over 3,000." Truly, it would seem that if anyone can do it, the Israelis can.

Their own stock exchange is booming. Investor interest has reached such a crescendo that last year the exchange's stock index rose almost 300 percent. And it was not an aberration. The market has risen every year since 1976, pushing the total value of its stocks from \$66 million six years ago to \$20 billion at the end of last year. The gains have generated so much excitement that a common practice among Israelis, who pay no capital gains taxes on stocks, is to put half their monthly paychecks into the market in hopes of beating the country's 130 percent inflation rate.

But such widespread speculation — almost a gambling-like frenzy — has created considerable concern among exchange officials, major banks and even the brokers who are profiting from the business. In fact, one of Israel's major newspapers recently referred to the Tel Aviv Stock Exchange as the country's National Casino.

The prices of stocks have been pushed so high so fast that many are anticipating a major correction this year and are calling for both stricter regulation and a revaluation of the



Exchange chairman Meir Heth is trying to discipline his brokers.

trading system. These are fighting issues to the 31 members of the exchange, who only 10 days ago were handed the short-lived resignation of their chairman, Meir Heth.

Mr. Heth, who has held that post since 1978 and is one of the country's leading businessmen, presented a report to the exchange's board of directors on Jan. 6 calling for tighter controls on the record number of new, small companies that were going public, trading restrictions on mutual funds and portfolio managers because of suspected manipulation of prices by some, and a change in the trading system to one more like that on the New York Stock Exchange.

The proposals sparked sharp dissent among the exchange's board members. Those representing the "public interest" and representatives

from the small banks and brokerage firms voiced strong criticism of Mr. Heth, while representatives of the nation's three largest banks supported his proposals. In the wake of the criticism, Mr. Heth resigned.

"I was astonished at how some

members started to debate so many small points once I submitted by report," Mr. Heth said late last week. "I felt that if my suggestions were not taken as a whole it would reflect lack of sensitivity by members to things that needed correction. I felt that the system needed some shaking up, and I hope I shook it up a little bit."

But the surprise resignation left the divided board with a bigger problem. "Actually, once Heth resigned, all the members wanted him back," said Nahum Eschel, head of securities trading at Bank Leumi and a member of the exchange's board. "They were afraid that if he was out, the Government or the Parliament would step in, and that would be much worse."

Thus, with some persuasion by the largest banks, which do more than two-thirds of all the business on the

The Economy

exchange, the board accepted Mr. Heth's changes and last Thursday he withdrew his resignation.

Mr. Heth's suggestions will require that only companies in business for at least two years, showing profits for the latest year, be permitted to go public. This comes on the heels of a year when 77 companies were added to the exchange and "prices of new issues rose tremendously, far beyond what they were worth," Mr. Heth said. There will also be restrictions on the amount of shares that a mutual fund management firm can hold in any one stock. "The competition between mutual funds was so fierce that various activities to influence prices were taken by them," he added. "It is very easy for them to influence prices, but very hard for us to prove it." Mr. Heth noted that as a result, many stocks on the exchange were highly overpriced and that a major correction in price was inevitable.

But not everyone accepts a correction as inevitable or necessary. Yuri Salant, a partner at Fit, a Tel Aviv brokerage firm, noted that a recent deal by Israel's fourth-largest bank, Mizrahi, to buy controlling interest in the country's fifth-largest bank, FIBI, for a price above the market value, illustrated that prices in general may not be out of line. "Everyone is telling us we can't justify the prices on the exchange," Mr. Salant said. "But here comes a major bank and offers above-market rates. These are smart businessmen who know economic value. So that may just tell us that the exchange prices are not as ridiculous as some people say."

The forum where all this controversy takes place, Sunday through Thursday, is in downtown Tel Aviv, on the fourth floor of 113 Allenby Road — a setting in which many Wall Street brokers might not feel quite at home.

Compared with the comfortable, clubbish atmosphere of the New York Stock Exchange, the Tel Aviv exchange seems more like a back-room clerical operation. It has no carved wood and no stuffed chairs. Few wear business suits. In each of three rather stark trading rooms, 25 to 30 brokers sit at desks and benches in a semicircle around an exchange official, as he or she conducts the daily trading.

There is no continuous trading, no ticker tape that gives the latest trades, very little computerization and a surprising calm to the proceedings, unlike the turbulent floors of the New York and American Stock Exchanges. Trading follows a call system, where brokers first match buy and sell orders at their home offices in the morning, then bring any excess orders, or market orders, to the exchange floor. Starting at 1:30 P.M., the exchange officials in the three rooms begin going through some 450 issues, calling out the excess buy or sell orders over a loudspeaker.

Trading begins at yesterday's close. If there are no buyers or sellers for the shares, the officials then move the price up or down until the stock is sold. If the price is moved 5 percent in either direction and all excess shares are not sold, trading is ended, and no trades are executed in that stock at all that day, even those crossed in the brokers' offices. On the next trading day the opening price is set at the new level. On the second day, prices can fluctuate another 5 percent. And if all shares are still not bought or sold, on the third day all limits come off. In addition, when the final daily price is set, all transactions — even those crossed in the morning — are made at that last price. On this exchange, trading early never insures the best price. Prices have been so volatile in recent

months, that it is not uncommon for 30 percent of the shares on the exchange to rise or fall 5 percent or more every day, and 8 percent to fluctuate by 10 percent or more.

Another difference from the New York exchanges is that the system permits brokers effectively to withdraw their bids if the prices happen to go too much against them. This practice had particularly troubled Mr. Heth and is another reason he favors a continuous trading system.

The role of Israel's banks in the securities industry is also vastly different from that of banks in the United States. "Banks in Israel are like a supermarket of financial services," said David Kochav, head of strategic planning for the Bank Leumi. "In addition to commercial banking and mortgage lending, the banks are very much involved in the stock market, brokerage and underwriting." At any of Israel's 1,000 commercial bank branches, one can trade stocks on the exchange.

The dominance by the big banks and their need to issue large amounts of new shares to protect their capital base from erosion by inflation has led to another practice on the Tel Aviv exchange that might seem strange to American investors. The banks are very active in supporting the prices of their shares, principally by buying and selling by their affiliate companies. The support is aimed at keeping the bank stocks attractive to the investor, assuring him that he will keep ahead of inflation. As a result, the banks' shares have taken on the qualities of bonds.

All this interest in stocks has not always been the case in Israel. In the 1950's and 1960's there was scant incentive to invest in stocks because the Government had indexed the return on its bonds to keep pace with inflation. "The saver had no need to invest in equities as a hedge against inflation," Mr. Heth said. "Thus, the equity market was not very important as a source of financing. In addition, there were generous financing arrangements offered by the Government for entrepreneurs, such as low-interest, nonindexed loans."

But in the mid-1970's, the Government began to reduce the indexation from 100 percent to 90 percent, and then 80 percent. "People began to worry that the Government would spoil the linked-instrument market and began to diversify into stocks," Mr. Heth said. Since the stock market was so small, the movement of just a small amount of funds began pushing prices up, attracting more attention, which pushed prices up even further.

Despite down periods, the exchange's index has risen in every year since 1976, showing particular insulation from the ups and downs on the world's major securities exchanges. Turnover has now reached an average value of almost \$50 million a day, about the level of the Milan and Zurich stock exchanges. But before it expands too much more, Mr. Heth plans to have his way in restructuring the trading. And as Mr. Eschel said, "He appears to have won this round."

The costs, however, will not be small. The exchange will have to install a new communications system to link the 1,000 bank branches to the floor, investors will pay considerably more per transaction, and the wide swings in prices will be contained somewhat.

"A national casino, not really," said Martin Miller, who heads Leumi Securities, the bank's securities operation in New York. "But I would say that some judgment has been forsaken for the purpose of seeing stock prices move."

INVESTING / Fred R. Bleakley

A 3,000 Dow — Not Just a Pipe Dream

Some respected stock pickers expect an abundance of cash and falling rates to send the market out of sight within six years.

FOUR times in the past two weeks, the Dow Jones industrial average has hit record levels, but those achievements pale next to the outer limits that a number of prominent investment professionals forecast for the index of 30 of America's largest corporations.

John Templeton, an expert on mutual fund investing who heads the Templeton World Fund, predicted, "Some time within the next six years, there's a better than even chance the Dow will go over 3,000." Martin Zweig, who writes the Zweig Forecast advisory letter, said he was "85 to 90 percent sure that we're in a major bull market that will move the Dow over 2,000 four or five years out."

Similarly, the research and money management firm of Sanford C. Bernstein & Company spelled out in a 26-page treatise last month its reasons for expecting a Dow trading range of 2,000 to 2,300 by the late 1980's.

To be sure, these professionals fully expect market volatility, with some inevitable corrections along the way. More important, the economy has to cooperate for such forecasts to be on the mark. Given its precarious state at the moment, both worldwide and at home, it is scarcely evident why the Dow should ascend at all. As Barton Biggs, chief investment officer of Morgan Stanley, said, "It all seems so wild and woolly. I can make as equal a case for why the Dow should go to 2,000 or to 800."

Even so, the question, "How high the Dow?" elicits not only a numerical projection but a bevy of reasons from optimistic forecasters such as Mr. Templeton. He backs up his prediction of 3,000 by pointing to the hoard of cash available for equity investments. It ranges from \$2,300 billion in fixed-income securities maturing within 18 months —

"more than one and one-half times the value of all U.S. stocks," said Mr. Templeton — to the expected growth of pension funds from \$700 billion currently to more than \$3,000 billion in 14 years.

Roughly half of pension fund assets are now earmarked for stocks. And "more and more big pension plans are telling me they plan higher stock allocations," Mr. Templeton continued. In addition, he said he expects that individuals will pump \$50 billion a year into stocks for their I.R.A. accounts.

All this cash flowing into stocks will lead to an expansion of price/earnings multiples from the present, below-average eight or nine times next year's earnings per share to a more normal level of 14, he predicted. At the same time, a combination of inflation and normal growth will cause corporate sales and profits to double in the next seven years, which, even without a multiple revision, would cause stocks to double in price, he said. The only elements that would interrupt Mr. Templeton's bullish scenario, he said, would be a major war involving the United States or the spread of Socialism here.

As for stock picks, he said he would normally opt for growth stocks, those with histories of uninterrupted earnings advances. But because so many of the cyclical stocks, which are more dependent on the economy's ups and downs, are relatively cheaper now, he said he views them as just as attractive. Most of the stocks in the Dow industrial average, such as U.S. Steel, Du Pont, Inco and International Paper, are cyclical.

The rosy picture painted by Sanford C. Bernstein also features a broad array of companies whose earnings are closely tied to the economy as a whole. When sales rebound, not only will "the effect be dramatic on earnings but more of the earnings will be available for dividends," said Lewis Sanders, president of Bernstein.

INTEREST rates of fixed-income securities should fall, according to a Bernstein economist, David Levine. This would cause higher stock dividends to look even more attractive, thus helping to increase their P/E multiples, Mr. Sanders said. Among the stocks his firm now recommends are General Motors, A.T. & T., Union Carbide and Royal Dutch/Shell Companies.

A key ingredient in Mr. Sanders' and Mr. Levine's views of the economy is a drop in the inflation rate to 2 to 3 percent by 1986 or 1987. They make the case in their report that an unemployment rate above 7 percent will continue for the foreseeable future to drive inflation down and that unemployment tends to fall very slowly even when growth in the gross national product is rapid.

Indeed, most Wall Street analysts are bullish. Even for the short haul, some of them said they ex-

pect that the continuation of the bull market would produce new peaks of the Dow that were not dreamed of a year ago. Ronald Gantz, president of Paine Webber Mitchell Hutchins, for instance, said his firm now expects the Dow to hit 1,350 this year and 1,400 next year. If interest rates come down 120 basis points for long-term bonds and 150 basis points for short-term fixed income securities, he said, "there's an even chance that normal exuberance will move the record up to 1,700 in 1984." (A basis point is one-hundredth of a percentage point.)

Paine Webber has recently been recommending stocks in the energy, oil service, forest products, chemical, autos and industrial supplier sectors and has been de-emphasizing consumer, high-quality technology, retail and utility stocks.

Other Wall Street analysts, such as Seth Glickenhau of Glickenhau & Company, a brokerage and money management firm, said they were nervous about the stock market over the next few months because of continued poor corporate earnings. But they said they see skies brightening for the remainder of 1983 and for 1984. "Looking beyond the next quarter, there's no earthly reason why the Dow should not be higher," Mr. Glickenhau said. Because of the leanness of so many companies, which makes their "profit potential extremely high," Mr. Glickenhau said he expects stock prices to "catch up" with the rest of the economy. He continued, "There's been an explosion in real estate prices. The nickel subway ride is now 75 cents and going higher. And millionaires are a dime a dozen. On the basis of the growth of the money supply alone, 1,300 to 1,400 on the Dow is a feasibility over the next two years."

Other money managers who are bullish at least for the next year or so are Harold Ehrlich, chairman of Bernstein-Macaulay, and Kent Atkins, chief investment officer of Bankers Trust. Mr. Ehrlich said he expected corporate earnings this year to be much better than commonly expected; Mr. Atkins said he sees stocks producing a total rate of return of 13 1/2 percent annually over the next four years. Asset allocation for pension funds his bank manages is evenly split between stocks and bonds, he said, because Bankers Trust also expects bonds to produce the same 13 1/2 percent total return per year.

Most investment strategists said they would not be able to project a longer view of stock prices until at least the end of this year. Then, as Steven Einhorn of Goldman, Sachs put it, "The scenario for a super bull market would have to be that the budget deficit has been resolved, the Fed is reining in the money supply and bond rates are coming down." He added, "Investors don't have to focus on that now. There's still enough slack left in this cyclically based recovery to carry the Dow to 1,300."

The New York Stock Exchange					
MOST ACTIVE STOCKS					
WEEK ENDED JANUARY 14, 1983					
(Consolidated)					
Company	Sales	Last	Net Chng		
IBM	7,467,100	67	+ 2%		
AT&T	5,100,000	90 1/2	+ 2 1/2		
Exxon	4,660,200	30 1/2	+ 1/2		
Tandyl	4,429,300	52 1/2	+ 3%		
Nabac B	4,051,100	38 1/2	+ 3%		
Sears	3,335,400	28	+ 1/2		
Chrysler	3,320,900	17	+ 1/2		
Es Kod	3,305,300	81 1/2	- 4		
West E	3,163,500	44 1/2	+ 4%		
Xerox	3,156,900	42	+ 3%		
Rowan	3,114,500	13	+ 2 1/2		
Halbit	3,044,800	39 1/2	+ 1%		
Schlmb	3,040,400	49 1/2	- 1/2		
Mobil	2,735,100	26	- 1/2		
Citicorp	2,707,900	34 1/2	- 1/2		

Standard & Poor's					
WEEK ENDED JANUARY 14, 1983					
(Consolidated)					
Company	Sales	Last	Net Chng		
400 Indust	167.3	161.3	164.6	+1.68	
20 Transp	26.4	24.9	25.5	+0.20	
40 Util	62.7	61.4	62.3	+0.37	
40 Financial	17.3	16.6	17.0	+0.22	
500 Stocks	149.0	143.7	146.6	+1.47	

Dow Jones					
WEEK ENDED JANUARY 14, 1983					
(Consolidated)					
Company	Sales	Last	Net Chng		
30 Indust	1105.1	1085.1	1080.0	+4.78	
20 Transp	483.4	455.2	467.6	+7.81	
15 Util	125.6	123.3	124.6	+0.14	
65 Comb	434.4	416.9	424.3	+3.07	

The American Stock Exchange					
MOST ACTIVE STOCKS					
(Consolidated)					
Company	Sales	Last	Net Chng		
Dome P	4,039,700	9 1/16	+ 1/2		
Wang B	2,527,700	39 1/2	+ 1/2		
GldFid	2,076,600	2 1/2	+ 1/2		
InstSy	1,519,800	2 1/2	...		
ChmpH	1,102,500	5 1/2	+ 1/2		
Marmdq	1,099,900	3 1/2	+1/16		
Atte CM	1,042,100	3 1/2	+ 1/2		
RangrO	841,000	7	- 1/2		
IntEn	666,000	1 1/2	...		
MSI Dt	611,400	35 1/2	+ 4 1/2		

MARKET DIARY					
	Last Week	Prev. Week			
Advances	1,386	1,536			
Declines	624	463			
Total Issues	2,184	2,154			
New Highs	493	322			
New Lows	3	4			

VOLUME					
(P.M. New York Close)					
	Last Week	Year To Date			
Total Sales	473,508,820	960,249,080			
Same Per. 1982	237,097,580	458,337,842			

WEEK'S MARKET AVERAGES					
	High	Low	Last Change		
New York Stock Exchange					
Indust	97.92	95.73	97.01	+1.01	
Transp	78.58	75.96	77.66	+1.89	
Util	46.07	45.16	46.02	+0.70	
Finance	88.78	86.73	88.09	+1.42	
Composite	85.49	83.45	84.87	+1.00	

WEEK IN BUSINESS

Production in U.S. factories fell only one-tenth of one percent in December, the Federal Reserve said, giving a promising signal that the economic decline may be touching bottom. Auto production surged 13 percent, but business equipment output fell 19.5 percent. For the year, production fell 8.2 percent, the biggest annual decline since 1974.

American businesses reduced the value of their inventories by 1.1 percent in November, the largest monthly drop recorded. Inventories fell \$5.6 billion to a seasonally adjusted \$508.6 billion. Spending for expansion and modernization will be reduced by 5.2 percent in 1983, American business executives said.

Retail sales dropped four-tenths of one percent in December from the same period in 1981, and were up only 3 percent for the year as a whole. At the National Retail Merchants Association annual convention, merchants

predicted a 2 to 3 percent real gain in sales this year over 1982.

Consumer installment debt jumped by \$2.52 billion in November, the biggest rise in more than a year. The bulk of the increase was accounted for by new automobile loans, the Government said.

The Administration does not plan major tax increases this year or next, Treasury Secretary Donald Regan said. But he continued to work on a package of \$100 billion in contingency tax increases that could become effective in 1986.

The prime was lowered to 11 percent from 11 1/2 percent by U.S. banks.

New car sales rose 10.5 percent for the nation's Big Three automobile manufacturers in the first 10 days of January, continuing an upward trend that began in October.

A.T. & T. won its appeal of a \$1.8 billion antitrust award levied against it for trying to monopolize the long-distance telephone market. But the U.S. Court of Appeals agreed there had been violations by A.T. & T. against the MCI Communications Corporation, and ordered a new trial to set damages.

McDonnell Douglas received a \$1 billion order for 30 DC-9 Super 80 jets from Alitalia, Italy's national airline. It was the company's largest commercial aircraft order.

The Administration imposed quotas on imports of Chinese textiles after a breakdown of trade talks. A Peking official had warned that China would "respond strongly" if quotas were imposed.

Japan announced new measures to dismantle its numerous nontariff barriers to trade, in the third package of market-opening actions taken in the last year.

Producer prices rose one-tenth of one percent in December, fueling hopes that the recession was near an end. For the year, the index was up only 3.5 percent, the smallest annual increase in 11 years and less than half the gain in 1981.

El Paso agreed to a transaction that will give Burlington Northern a controlling interest in El Paso for \$24 a share. The deal ended two weeks of resistance by El Paso, which had rejected an earlier, similar offer as inadequate.

Armco shut down operations at three plants, resulting in a permanent loss of 2,200 jobs for the nation's fifth-largest steelmaker. The company said it would produce a fourth-quarter write-off of about \$100 million.

The New York Times

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Lock the Social Security Exits

Does it pay the citizen to stay in Social Security? For most of us, the answer doesn't matter because the tax and coverage are mandatory. But non-profit organizations and state and local governments have a choice. And growing numbers of them view Social Security as either a bad buy or a luxury they can no longer afford.

Last month, 100 employers — including Los Angeles County — dropped out of the system. Four hundred others, with more than 160,000 employees, plan to quit in the next two years. That may serve their narrow interests but it costs the Social Security system hundreds of millions of dollars a year and threatens the consensus for social insurance.

The bipartisan commission now considering ways to protect Social Security finances is sure to recommend that Federal employees, hitherto excluded, be required to join. We hope Congress goes a step further to insist upon coverage for all workers.

Social Security was originally shaped to cover only workers in industry and commerce. It has been gradually extended, but remains voluntary for non-profit entities and local governments. Until the 1970's, most of these looked upon Social Security as a bargain. But not any more.

Payroll taxes for Social Security have more than doubled since 1975 and are likely to increase rapidly in this decade. As employers with a choice recalculate the costs and benefits, they find that

younger employees may have to pay in much more than they ever stand to gain. Indeed, the average 30-year-old might be better off if his Social Security taxes were invested instead in a tax-sheltered private pension.

These calculations may turn out to be woefully wrong. Much depends on the rate at which payroll taxes are increased or benefits reduced. There is also a question of whether Congress will continue to let uncovered workers earn Social Security benefits in a second career. Self-evidently, however, the population as a whole has a great stake in preventing defections.

The withdrawal of 100,000 workers last month will cost the Government \$250 million in uncollected Social Security taxes this year. That is only a small fraction of the \$150 billion that will be collected. But the calculation that drove the Los Angeles workers out of the system will also tempt millions of other workers who have a choice. Losing them would strike a great blow to an already ailing system. Worse yet, the accelerating defections can sow the seeds of revolt against the payroll tax: If they don't have to pay, why should we?

Some contend that forcing state and local employees into the system would violate the 10th Amendment to the Constitution by eroding powers reserved to the states. But that supposition has never been tested in court. Universal coverage is good policy, perhaps even necessary policy, if Social Security is to survive.

The Shards of Lebanon

No issue of substance required a month-long wrangle merely to set the agenda for negotiations about Israel's withdrawal from Lebanon. Off-stage voices, from Saudi Arabia or Syria, frightened the Lebanese about implying in any way that they were making a full peace. Israel, eager to pacify domestic dissent against its invasion, sought to create precisely that impression. And meanwhile, thousands of traders and tourists were crossing the border, expressing surprise at changes that do not need to be labeled "peace."

The terms of Israel's departure should not be hard to write; Beirut and Jerusalem agree on co-existence and security arrangements. But the wrangling shows that many hands are needed to reassemble the shards of Lebanon. Those who aspire to a broader peace will have to direct those hands and overcome many domestic discontents.

Unless Syria agrees to withdraw simultaneously, abandoning its hopes for expansion, Lebanon will remain an occupied, essentially partitioned country.

If Jordan's King Hussein persists in making Israel's departure from Lebanon the precondition for negotiating about the West Bank, he will yield control over events to the Syrians and their Soviet and Saudi paymasters.

If even the Egyptians behave as if they are ashamed of their peace with Israel and do not end their vitriolic propaganda, the Israelis can hardly

be expected to trust deals with other neighbors.

And if all that Israelis want is to discourage talks with King Hussein, thus to gain time to colonize the West Bank, they will find many more pretexts in this maneuvering over Lebanon.

Lebanon's present agony will end only if the Palestinian roots of the problem are finally addressed. In practical terms, that requires creating an autonomous Palestinian West Bank in the context of a secure peace between Israel and Jordan.

The West Bank's sovereignty may be left open, but its political rights need to be real. If Jordan, Egypt, Saudi Arabia and Lebanon lack the strength and will to move in that direction now, with American backing, they will soon find the territory altered to the point where even this solution is impossible.

Properly protected, West Bank Palestinians would surely cooperate in the effort. Yasir Arafat's P.L.O. may not, but he well knows that opportunity is slipping away. His assertion, in Moscow, that an "independent" Palestinian state in the West Bank might "voluntarily" accept confederation with Jordan is a back-handed, if inadequate, tribute to President Reagan's peace plan.

America's best talents should not now be wasted on the Lebanon sideshow. The task at hand is to bring King Hussein into negotiations with Israel, and to help protect him against those off-stage voices that still can say nothing more than no.

After Ossining

"We were lucky," concluded Thomas Coughlin, New York State's Commissioner of Correction, in assessing the uprising at the Ossining prison. By all accounts, he and Governor Cuomo exploited good luck with cool-headed negotiating that put down the revolt without bloodshed.

The Ossining inmates' complaints about an old cellblock that was reopened too soon for comfort add urgency to the problem of prison crowding. New York needs new laws that can limit the prison population. But that and the prison building program will not resolve the immediate shortage of places for 3,000 more prisoners.

Former Governor Carey had begun to use empty buildings on the campuses of big state psychiatric hospitals and last fall moved convicts into the Pilgrim State Hospital on Long Island. Candidate Cuomo, responding to community resistance, promised to remove prisoners from Pilgrim State, saying he opposed "colocation" of convicts and patients.

But Mr. Cuomo left himself an out if the two groups were clearly segregated — as they have been at Pilgrim State. He ought to seize that reservation now.

Some upstate towns with psychiatric hospitals might actually welcome the jobs that prisoners would create. But their mental patients could not be rapidly moved and many people object that joint facilities stigmatize the mentally ill.

Still, institutional campuses often permit confining prisoners to separate and secure buildings. No practical problems are reported from "colocation" at Pilgrim State and some upstate hospitals. No imaginable "colocation" problem could be worse than more prison disorders.

The basic Carey program should go forward. Let prisoners remain at Pilgrim State, move others into psychiatric campuses elsewhere, gradually consolidate mental hospitals and keep Mr. Coughlin's plan for buying one more facility in reserve for prison overflows. After Ossining, time is short.

Topics

Pet Needs, Pet Projects

Scratch Plate

It's the rare man who can make a really meaningful difference in a dog's life. But such a person is Lorin F. Sowards of Brownsville, Neb., who has just been granted a patent for a pet's doorbell that can signal a desire to get out as well as in.

Given Mr. Sowards's invention, a battery-operated scratch plate that rings at a paw's touch, no dog need ever again stand around on a doorstep wishing for a cigarette . . . a newspaper . . . an umbrella.

Nor, if such a plate is installed on the inside of the door as well, need he ever again whine piteously in an effort to tell his human that if he's not let out this minute a disaster will take place.

There is, of course, no reason a cat should not also use the bell. But as all cat-owners know, few cats have

so desperate a reason to get out, and all have an ingenious way of signaling that they want in. They simply jump up on the windowsill and stare. No, it's the Sandys and Snoops and Lassies of this world who most owe Mr. Sowards a wave of the tail. And a 21-bark salute as well.

H.U.D., Privatized

The year is still young, but don't be surprised if Emanuel S. Savas is declared winner of the Brass Cup for Brazenness for 1983.

Mr. Savas, a Federal official, has written a book titled "How to Shrink Government: Privatizing the Public Sector."

Mr. Savas's attack on lazy, empire-building bureaucrats carries the imprimatur of chief budget shaver David Stockman: "Every

taxpayer and elected official should read this book."

But now the book is attracting a different kind of official attention. Though it is a private undertaking, for which Mr. Savas will receive standard royalties on the \$15 hard-cover price, its manuscript was allegedly typed and proofread at public expense. Some work was alleged to have been performed by officials earning \$29,000 a year at the Department of Housing and Urban Development, where Mr. Savas serves as assistant secretary for policy development and research.

Mr. Savas said he knew nothing about the alleged fraud, waste and abuse: "This is clearly not a proper activity for Government officials. If I had known, this is the kind of thing I would have paid for." A good example, you might say, of creatively privatizing the public sector.

Letters

U.S. Arms in Europe: 'Formula for Endless Crisis'

To the Editor:

Representative Stephen J. Solarz has done the peace movement a great disservice. His proposals, in his Jan. 9 and Jan. 10 Op-Ed articles, for massive buildup of conventional forces and the deployment of Pershing and cruise missiles in Europe are scarcely distinguishable from the Strangelovian panaceas he professes to abhor. At best, they are a formula for endless crisis. More importantly, they enhance the risk of nuclear catastrophe.

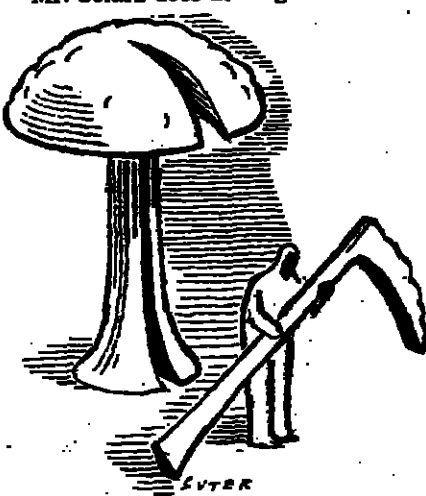
On the immediate question — the need to prod an Administration that has torpedoed SALT II to more vigorous pursuit of an arms-reduction pact with the Soviet Union — Mr. Solarz is strangely silent. He emphasizes instead "a fall-back position" to deploy the missiles in Europe should the Geneva negotiations fail. Hard-liners committed to the employment of the missiles need no such encouragement to drag their heels at Geneva.

At a time when the Catholic bishops, voicing the sentiments of the peace movement, call for a refusal "to legitimate" the employment of nuclear weapons, Mr. Solarz would sanction their use. He suggests, in all seriousness apparently, the "no early first use" of tactical nuclear weapons — as if, once hostilities began, rival armies would hesitate to detonate them before the enemy did. Not surprisingly, he does not say when "no early first use" becomes "too early use."

In stressing missile deployment, Mr. Solarz, like the Reagan Administration, shows remarkable insensitivity to

recent Soviet overtures — calls for a nonaggression pact and a summit meeting, forswearing the first use of nuclear arms, a revised position on medium-range missiles, etc. That, perhaps, is to be expected from a man afflicted with visions of "the first wave of advancing Soviet forces."

Mr. Solarz does not argue that mis-



sile deployment in Europe is a necessary deterrent (U.S. willingness to use the weapons is the critical consideration), only that deployment is essential to assure NATO allies of our willingness "to use nuclear weapons, if necessary, to protect them." He concedes that European public opinion is "seriously divided" on the subject, however, and it may well be that, in the electoral battles ahead, antinuclear sentiment in Britain and Germany will cure Mr. So-

larz and his friends of the nightmare about "advancing Soviet forces."

As if to preserve his image as a peacemaker and put a politically acceptable face on his proposals, Mr. Solarz crudely distorts the position of the American peace movement: It "insists on a mutual and verifiable freeze on the further development of nuclear weapons," he writes, "but it has not focused specifically on the cruise and Pershing missiles in Europe."

In fact, the "freeze" proposal in the New Jersey referendum, which is representative of the peace movement and was overwhelmingly endorsed, called for "a mutual, verifiable halt of all further testing, production and deployment of nuclear warheads, missiles and delivery systems . . ."

Finally, the fatal flaw in the Congressman's armor is, in his words, the concern that the Europeans "would move toward an accommodation with the Soviet Union." But why should they — and we — not move toward this goal? If we are all to live on this planet, sooner or later we must learn to live together in peace — and it may as well be sooner.

HERMAN LIEBERMAN
Cranford, N.J., Jan. 10, 1983

Two Villains

To the Editor:

In the first of his two articles, Representative Solarz argues that successful deployment of the proposed Pershing and cruise missiles by the governments of Western Europe in the face of ever-vocal peace movements will depend on a popular assessment of a "villain" in failed Geneva talks:

If the Soviets are perceived to be responsible for such failure, deployment will be politically possible; if the United States is perceived responsible, deployment would be politically disruptive.

This conclusion discounts the European peace movements' success in arousing a larger revulsion for nuclear weapons. As one German activist told me on a recent trip, "We reject nuclear weapons — either Russian or American." It appears that this widespread revulsion is as much a function of the arms-control process, which is seen as serving to perpetuate rather than to limit the escalation of nuclear weapons, as of any other theme of the peace movement campaigns.

The United States and the Soviet Union are thus, in a sense, both villains. Any outcome of the Geneva process will be viewed in this context, for it is extraordinarily unlikely that the United States will not, in the end, seek to deploy these weapons.

Opinion data confirm Mr. Solarz's contention that Western Europe means essentially anti-Soviet. Yet, clearly, there has developed an increasingly strong consensus that an appropriate response to the Soviet Union no longer necessarily dictates more nuclear weapons.

This is a feeling that transcends prevailing East-West competition, and anything that happens at Geneva will not serve to change it.

GORDON J. MACDONALD
Hanover, N.H., Jan. 9, 1983

Ways and Means in Solidarity's Suppression

To the Editor:

Zygmunt Nagorski's flawed description of the suppression of the Solidarity movement ["Purifying Poland," Op-Ed Jan. 7] deserves a response.

With all due sympathies to Solidarity and what it still represents, we must not fall into the trap of overblown rhetoric, self-serving sentimentality and historical ignorance if we seek to understand the continuing political struggle in Poland.

The most obvious omission in Nagorski's list of the regime's weapons (he names money and "terror") is the Catholic Church. Any accurate description of the suppression of Solidarity must also include the role of the church and its interests, which are not the same as those of Solidarity.

Many supporters of Solidarity have been angered and frustrated by Archbishop Glemp's search for an elusive peaceful and orderly compromise between the regime and the workers' movement. It was only recently rumored that he was about to remove and replace Glemp. But Glemp is now Cardinal Glemp, and another bit of emotional self-delusion is revealed.

Whatever the justifications for the church's role in this process, it is inexcusable to exclude it from the analysis of events, as Nagorski does.

Secondly, Nagorski labels the firings and encouraged emigrations of opposition intellectuals as the use of

regime "terror," which he further regards as the "most potent" weapon of the regime.

I would apply the word terror to the tens of thousands of Solidarityans brutally killed, mutilated, decapitated and left along the roads by the Salvadoran junta and right-wing death squads. In El Salvador, however, the junta's four-year terror campaign has not prevented the development and growth of stronger, better-armed and better-organized resistance.

In this perspective, the far more interesting question is how the Jaruzelski regime in Poland, in one year, has gained ground in the suppression and dismantling of Solidarity with so much less violence. This is all the more necessary in view of the premarital-law bluster about how ready the Polish people were to fight and die, even in the face of hopeless situations.

I do not believe that any improved understanding of the Polish struggle is gained from epithet-hurling. Supporters of Solidarity, or of political reform in Poland generally, are naturally bitter and deeply saddened by the most recent turn of events. They should not, however, stop thinking as clearly and as honestly as possible about these events and what they portend for the future.

JOHN D. NAGLE
Professor of Political Science
Syracuse University
Syracuse, Jan. 7, 1983

Grandparents Have Very Real Rights

To the Editor:

I am appalled at your characterization of grandparents' primary role — to act "giddy," "silly" and "doting" and to "spoil" grandchildren, all as a form of "reward" — in your Jan. 3 editorial "What Rights Do Grandparents Have?" The issue of grandparents' rights, brought recently before a subcommittee of the House Select Committee on Aging, is certainly not as glib as you make it.

The issue is the grandparents' right to responsible, stable relationships with the grandchildren of a broken home. It is also the grandparents' right to equal protection under the law. Most importantly, it is the rights, needs and wants of the child, who so often is the one to suffer most.

Your cynical and condescending attitude toward these concerns smacks of the flippancy we experienced from certain pundits when women and minorities began to call out for their own equality years ago. And your assertion that "what love, being absent, cannot do, legislation cannot make up for" is equally offensive. Would you say the same if it were justice or equality that were absent?

In many states, grandparents are being denied the right to communicate with their grandchildren once a marriage has dissolved. This is certainly trauma enough. But what of the children? What of the loss and devastation they experience as a result of a parental split?

The grandparent is often in the unique position to provide the child the only emotional haven, to provide a healing link with the past and to foster love and bonding that may have disappeared. Certainly, these contributions are in the best interests of everyone: the child, the grandparents and society.

TOM LANTOS

Washington, Jan. 4, 1983
The writer, who represents California's 11th Congressional District, is a member of the House Select Committee on Aging.

The Times welcomes letters from readers. Letters for publication must include the writer's name, address and telephone number. Because of the large volume of mail received, we regret that we are unable to acknowledge or to return unpublished letters.

Executed by the State of New York

To the Editor:

In a Jan. 10 news article about the history of the Ossining (N.Y.) Correctional Facility, formerly Sing Sing, you err in saying that, after the installation of an electric chair, the prison was designated in 1891 as "the only state institution where capital punishment would be carried out." That designation was not made until Sept. 1, 1914, and was not effective until two years after that.

The first execution by electrocution in this country took place on Aug. 6, 1890, at Auburn Prison in upstate New York. The victim was one William Kemmler. Fifty-three other men (including Leon Czolgosz, the assassin of President William McKinley) and one woman were executed at Auburn between 1890 and 1916.

Clinton (N.Y.) State Prison also had a working electric chair in those early years; it claimed 26 victims between 1892 and 1913 (including three

brothers, Willis, Burton and Frederick Van Wormer, executed the same day in 1903).

Before the electric chair was erected at Auburn, there had been much agitated controversy between Thomas Alva Edison and George Westinghouse over whether direct or alternating current was more dangerous to human life. Edison won a victory when the chair was wired with Westinghouse's a.c. and attempted to popularize the term "Westinghousing" for executions by means of electricity.

The State of New York has killed 695 prisoners in the chair. Before that invention replaced the gallows and other methods of execution, at least 400 criminals were executed in the state, some of them by being burned at the stake.

HENRY SCHWARZSCHILD
Director, Capital Punishment Project
American Civil Liberties Union
New York, Jan. 10, 1983

Expressly Not for Best-Seller Lists

To the Editor:

In his Jan. 9 "Arts and Leisure" article "Will French Culture Be More French?" John Vinocur quotes Herbert R. Lottman, Paris-based correspondent of Publishers Weekly, as writing that "French writers just don't seem to work hard enough to satisfy the demands of foreign audiences: You can't lock yourself up in a room, write a book, and expect it will change the world."

Proust did exactly that — and changed our thinking.

The great French novelists did

not write "to satisfy the demands of foreign audiences." In his diary, André Gide recalls a conversation he had with the French novelist René Boylesse. "I write for people like you are," Boylesse told Gide. "What are we hoping for? Three or four thousand readers?" And Gide answered: "This would be too much."

The great French writers considered themselves as being an elite, and they wrote for an elite.

PAUL MOCSANYI
New York, Jan. 9, 1983



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WASHINGTON

Who's In Disarray?

By James Reston

WASHINGTON, Jan. 15—Since the beginning of the new year, President Reagan has been criticized more severely by both parties and the press than at any time since he entered the White House.

The story is in the headlines. "The Spreading Panic Over the Reagan Budget," says one in *The Wall Street Journal*. "Whatever Happened to the Reagan Revolution?" asks another in the even more conservative *Washington Times*. "The Phasing Out of Reaganism," answers *The Washington Post*, over a column by its respected political columnist David Broder.

More important, in these few days since the turn of the year, two of the President's Cabinet members at Transportation and Health and Human Services have resigned; he has had to quell a revolt over the administration of his nuclear arms policy; and the Republican leader of the Senate, Howard Baker of Tennessee, has let it be known that he may resign from the leadership and run for the Presidency in 1984, if Mr. Reagan doesn't.

So obviously, something's going on here, and whatever it is, it's clearly not a vote of confidence in the President, and this is serious. For Mr. Reagan has to govern for two more years during a crisis of nuclear arms and the world economy. And this spasm of criticism here is being reported by the embassies in Washington to their capitals and eroding Mr. Reagan's authority and world confidence in the United States.

President Reagan's reaction to all this is interesting. Informed of the gathering storm, he summoned the press and denied that his Administration was in "disarray," but suggested that the press was in "disarray," which may be true but is not exactly a new idea. Despite this, the press keeps talking every morning. For example:

The Wall Street Journal, no enemy of the President, has written him a public letter: "Turn back before it's too late. . . . As your next budget is being drafted, the Pentagon is being steadily outflanked, and the cry for more taxes is again being heard. Word leaks out of your top advisers conspiring to reverse your policies; you are seen as an object for them to manipulate, not their boss. . . ."

Norman C. Miller, *The Wall Street Journal's* Washington bureau chief, writes: "A whiff of panic emanates from the Reagan Administration. . . . It is a strange scene. President Reagan, radiating his usual genial confidence, keeps suggesting that everything will turn out fine."

"The campaign to force the President to recognize reality borders on the bizarre. Frustrated Republicans say Mr. Reagan greets proposals for policy changes with silence, Irish jokes or irrelevant pronouncements that he is glad that everyone agrees on fundamentals. . . ."

The Administration has denied but ignored these charges. It has mounted a public relations campaign to insist that it's not for the rich and against the poor; not against nuclear arms control but all for it; not against women, since it has just nominated two of them for the Cabinet; not indifferent to the opinion of the allies, since it has just instructed Vice President Bush to go to Europe to consider their interests before negotiating with the Soviets on nuclear arms control at Geneva next month.

This is Mr. Reagan's way. There is nothing new about it. He is presiding here over the substance of policy precisely as he did as Governor of California — occasionally, indifferently and inconsistently. The situation is not worse here now — and may be better — because it is more visible and more people know what is going on and what is not going on.

What he is accused of, he denies; and what he says he's defending, he abandons when the opposition is tough enough and public enough.

In short, Mr. Reagan is a politician compromising with problems beyond his control.

He fired Gene Rostow at the nuclear arms agency one day and the next day gave his support to Paul Nitze (whom he called "Ed") in his news conference. Secretary of State Shultz, in an effort to reassure everybody, announced that the President was indeed the "boss" and that he was "in charge" of nuclear arms policy, which is consoling only when you know it isn't true.

Mr. Reagan pretended, until recently, that he was really in charge of the substance of policy. He was not its master but its spokesman, depending on the best staff he could recruit but never did. He could have had Henry Kissinger or Mr. Shultz at the beginning at the State Department, but he never invited them. Instead, he settled for Al Haig and old California friends like Cappy Weinberger and Judge Clark, whose conduct of foreign and defense policy has not won the confidence of either the executive or legislative branches of the Government.

So what will President Reagan do now?

The guess here is that he will do what comes naturally to him — compromise on both domestic and foreign policy and hope, like Mr. McWhorter, that "something will turn up." Later, he'll probably announce with a smile and a wave that he's going home to the sunshine in California at the end of his first term, having done the best he could.

Centralize Trade Policy

By Daniel Patrick Moynihan

tant lesson: Free trade serves the cause of world peace."

At the Ottawa summit conference in July 1981, he had proposed a meeting of GATT, and last Nov. 20 it was about

to occur — the first ministerial gathering in nine years. The ministerial talks, it turned out, were nearly a total failure. At the very outset, Michel Jobert, the French Foreign Minister, denounced the United States for "dogmatic liberalism." (Free trade, of course, was a profound article of faith with the early 19th century school of British economists known as "liberal." Alas, the French never forget.)

Now, Ronald Reagan has been denounced for much in his career, but rarely for "dogmatic liberalism." But then, to repeat, the world increasingly sees trade matters differently.

To digress, I was once ambassador to India. On arriving, I spent several days meeting embassy officers. At

length, the commercial attaché appeared. I asked if he had a list of American businessmen living in India. He didn't. "Oh!" said the new ambassador, bent on rooting out slackness. But if I wanted to know, the poor man continued, he would tell me then and there who they were: fewer than three dozen. There appear to be about one dozen left. In a country of 600 million.

In the industrialized world, while the United States continues to resist governmental planning in matters concerning international trade, others have not. In Japan, the powerful Ministry of International Trade and Industry guides corporate investment and modernization decisions in accordance with national trade policy. France has moved from the Gaullists' state-planning principles to the Socialist Government's state-directed economics.

There is a rule: Organizations in conflict become like one another. Think of football teams, or navies. World trade is a form of conflict. As world trade has become more and more managed by governments, America has begun to respond in kind.

Thus, last Oct. 15, our International Trade Commission found that several European countries have been subsidizing carbon steel exports to America at a level as high as \$130 a ton when the price was \$500. GATT provides that when export subsidies exceed a certain limit, the receiving country can offset the subsidies by countervailing duties.

What did the Administration actually do? It did what we say we will not do. Instead of countervailing duties, the Administration negotiated quota agreements with the Europeans. Not exactly what GATT's founders had in mind — and an abomination according to the trade doctrine the President would espouse not long afterward.

But then how is the President otherwise spending his time? Well, in considerable measure, negotiating the sale of wheat to the Soviet Union, huge Government loans to Brazil and Mexico, a complex set of tariff preferences for certain islands in the Caribbean, and a vast textile quota agreement with China (much trouble there).

So present arrangements are not working. They all but guarantee that what America says and what America does will be different. We can continue on this course, sliding toward protectionism, sideways as it were, moving from one industry to another — a loser's response to competition.

But there is another choice. One, granted, that also requires greater Government involvement in trade, the difference being that one is concealed while the other is acknowledged. The latter course is to organize, so that we might expand trade, keep it fair and keep ourselves competitive.

Eight Cabinet departments now have statutory roles in international trade policy: State, Treasury, Agriculture, Defense, Commerce, Labor, Transportation, and Energy. There are five important independent agencies involved as well. And there is a sign of sheer chaos: Within the Executive Office of the President is the Office of the U.S. Trade Representative, where a succession of brave men have tried to impose some order.

It is time to get it all together. The Commerce Department is a perfectly good organization but one with practically no role in policy making. Hasn't had since Herbert Hoover was Secretary and the department helped create a system of nationwide markets for American industries.

The time has come to do the same for world markets. The other departments are going to have to give up their foreign trade preserves to Commerce. This would hurt the State Department most of all, but that is where it matters most. Trade functions of the independent agencies must be brought in as well.

Someone must be responsible for trade policy. For there is another rule: When everyone is responsible, no one is.

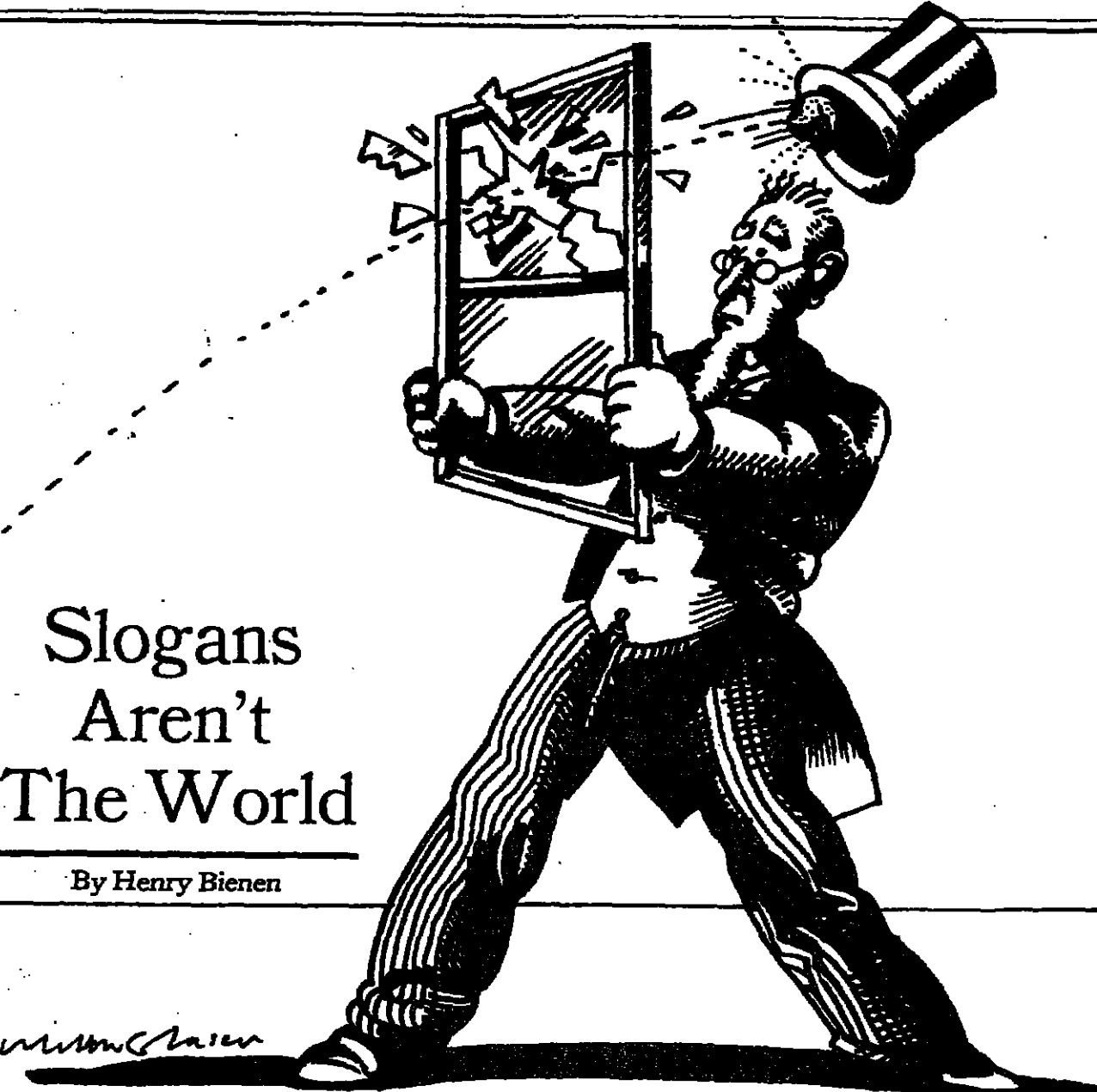
The nation's institutional memory has been that the trade wars of the 1930's destroyed world peace and led to world war. There is profound truth in this, but there are other truths as well. The philosopher Sidney Hook has noted that we teach our young that those who forget the past are doomed to repeat it. But, he says, it is also a deep truth that "those who always remember the past often don't know when it is over." That, or so it seems to me, is where we must begin.

Daniel Patrick Moynihan, Democrat of New York, is a member of the Senate Finance Committee and its Subcommittee on International Trade.

that the conditions of world trade have changed. We persist in speaking, as we have for a half-century, of a trading world that scarcely ever existed and has now quite disappeared.

President Reagan is as committed to the principles of free trade as any President of this century. Consider his weekly radio address of Nov. 20.

He said, in part: "We are reminding our trading partners that preserving individual freedom and restoring prosperity also requires free and fair trade in the marketplace. The United States took the lead after World War II in creating an international trading and financial system that limited governments' ability to disrupt free trade across the borders. We did this because history had taught us an impor-



Slogans Aren't The World

By Henry Bienen

PRINCETON, N.J. — Dwight D. Eisenhower and John Foster Dulles proclaimed a fear of "falling dominoes" in Southeast Asia.

John F. Kennedy told us that there was a "missile gap."

Richard M. Nixon and Henry A. Kissinger promulgated the idea of "the new frontiers" — Brazil, Nigeria, Saudi Arabia, Iran — and hoped they might act as America's regional surrogates.

Jimmy Carter and Zbigniew Brzezinski, surveying the Persian Gulf, Middle East and Southwest Asia, were concerned about "arcs of crisis." And, since the Iranian Revolution, policy makers have been proclaiming the "Islamic resurgence."

Ronald Reagan and Caspar W. Weinberger want to close "the window of vulnerability."

And "détente" and "linkage" remain undefined terms to describe United States-Soviet relations or to invoke a desired state of those relations.

Officials long have tried to capture complicated events and to dominate public discussion of foreign policy by using simple phrases and slogans. They engage in phrase-making in order to reach wide audiences. The news media, too, promulgate slogans and labels — shorthand that makes easy summaries possible.

But there are significant costs in sloganeering. Take the related catch phrases "Islamic resurgence" and "arcs of crisis." They are intended to suggest that there has been a revival of fundamentalist Islamic appeals to mass audiences in Africa, the Middle East, Southwest Asia and Indonesia.

Islam, it is true, continues to provide the symbols and vehicles for understanding of power and justice in Egypt, Syria, Iran, Turkey and other countries. Organizations such as the Moslem Brotherhood in Egypt, the

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National Salvation Party in Turkey, and the Moslem Brethren in Syria have waxed and waned, depending on Government repression, the quality of their own leaders and the success or failure of secularly based elites. But these groups are not similar from country to country. The appeals of Iran's clerical regime are not identical to those of Islamic movements in Sunni Moslem countries; the claims of Col. Muammar el-Qaddafi of Libya are different from those of Egyptian and Syrian religious fundamentalists.

Good policy does not arise from metaphors

Americans' perspectives on change — the ways we define issues and problems — are all consequential for our national interests. To try, for example, to understand political upheavals in North Africa, the Middle East and the Persian Gulf through recourse to slogans about Islamic revival (as if Islam had gone away) cannot take us very far and will mislead us. There can be no substitute for specific, contextual analyses of countries and regions.

Slogans and metaphors often express the tendencies of officials and academics who have a common wish to be at once sweeping, unequivocal easily understood and persuasive. The desire to capture complicated phenomena

through slogans stems also from impatience with the particular and unwillingness or inability to master interrelationships. The usual victim of such impulses is the specialist, who wishes to differentiate and in so doing becomes a nuisance to generalists, who run things.

Generalist high-level policy makers don't want to be at a disadvantage vis-à-vis specialists of any kind. So they manipulate catch phrases and labels to structure debate over critical issues. Experts on countries and regions are accused of parochial concerns and of operating at a low level of "generality." Similarly, debates over the survivability of a particular missile system are shifted to matters of the big picture in American-Soviet relations.

Semantic symbols cannot describe what the real world looks like. They become terms in search of policy. But policies cannot be hammered out on the basis of slogans and phrases. Dangerously, policy makers become prisoners of slogans they popularize. Thus, Americans waited for the next domino to fall in Southeast Asia, felt cheated over détente, fear Islam and remain confused about the balance of strategic forces. The slogans have obscured, not clarified, issues and choices.

Nowhere is this more evident than in the Reagan Administration's arguments for increases in defense spending — specifically, for the MX system. Weapons systems under discussion cannot close "the window of vulnerability" in the fundamental sense of making the United States impregnable against Soviet attack. Instead, what's needed is critical evaluation of both countries' balances of nuclear and conventional forces, and, further, a weighing of both sides' military capabilities and their national interests, goals and prospective policies. Public debate on national defense cannot constructively take place by using language better suited to advertising than to thinking through the most critical issues of our time.

IN THE NATION

Welcome, Killer Trucks

By Tom Wicker

100 million tandem-truck miles.

Those figures probably will get worse under the new weight allowance, because Congress made no requirement for improved braking systems (as it did when it last increased allowable truck weights). The 30,000-pounders can go right on using brakes designed for lighter trucks.

But these are killer trucks for highways as well as people. The interstate system, in fact, was constructed for maximum weights of 60,000 pounds, against the 80,000 pounds now to be al-

lowed. Federal highway officials estimate that the destructive impact of a single 80,000-pound truck is as great as that of 9,600 passenger cars moving over the same stretch of road.

Put another way, an 80,000-pound, five-axle truck weighs only as much as about 20 cars. But a study by the American Association of State Highway and Transportation Officials shows that pavement damage increases exponentially (to the fourth power) with increases in axle weight. So the weight increase just allowed by the lame-ducks will result in a highway damage increase of about 15 percent.

Thus, legislation aimed at repairing the highways includes provisions guaranteed to damage them as fast as they're rebuilt; some experts think the increased damage will more than offset the increased tax revenues. And don't kid yourself that the trucking companies will be paying their fair share of the costs.

A D.O.T. cost allocation study, based on 1977, showed that auto drivers were paying 110 percent of the maintenance costs of highway damage for which they were responsible; trucks were paying only 79 percent of

repair costs for the damage they caused; and trucks weighing over 75,000 pounds were paying only 45 percent of their true share. Georgia and Florida studies confirmed the Federal figures.

The lame-duck bill won't come close to removing this inequity, which results from the greater damage done by larger vehicles. The D.O.T. legislation originally boosted the average annual fees and taxes on commercial trucks from about \$250 to about \$2,700; the House cut that to \$2,200, the Senate to \$1,600 and the conference committee added a provision that overall fees could average no more than \$1,900 by 1983.

Truckers will be paying the new gas tax too; but they're still getting off lightly. In fact, they may never pay the higher fees, because the lame-ducks thoughtfully decided not to put them into effect until July 1, 1984.

That gives truck lobbyists a year and a half to get the new fees repealed or modified. After the gift they just extracted from Congress, for which the rest of us will pay in lives, money and discomfort, don't bet they can't do it.

CANDIDATES

for office are advised to listen — or appear to listen. Sometimes more is learned by watching. Surely this was my experience in 1962, when I attended the ritual murder of a foreign car.

It was in a small steel town in western New York State. The industry had known good times, and the steelworkers had also. There is a substantial union hall, and a picnic area in the back. But troubled times had come. Emotions had to be exorcised. And so a barbecue was arranged, a speaker engaged, an old beat-up Toyota procured.

The ritual started slowly. Small wounds inflicted by sledgehammer. Then larger ones, the mood mounting. A final crescendo, as a giant bulldozer crushed the hated object into a cube of metal.

After the senatorial election, I wrote constituents that of all the concerns voiced during the campaign, none occurred with such regularity as fear and anger over foreign imports.

It was waiting for us in the post-election session of Congress. Most people know we raised gasoline taxes and passed a highway-and-mass transit bill. Virtually unnoticed was the fierce "Buy American" provision that virtually forbids the use of imported materials in a vast public-works program.

Protectionism in its most destructive forms — hurtful to those steelworkers no less than to hog farmers in Iowa — is upon us, and will spread as an ad hoc response to successive crises. Unless we can think of something better.

United States foreign policy, in a formative stage during World War II, put great stake in organizations through which nations collectively could avoid, or suppress, the tendencies that had led to that catastrophe. I mean, of course, the United Nations and its economic counterpart, the International Trade Organization. The I.T.O. never made it through Congress, but the West's major trading nations did agree in 1947 to one part of its charter, a General Agreement on Tariffs and Trade — the GATT. GATT had no organization as such — just a small villa outside Geneva where a brilliant British civil servant, the late Eric Wyndham White, served as executive secretary.

For the longest while, GATT worked wonderfully well. The general level of tariffs dropped and quotas receded. Postwar international trade flourished. The industrial world was never so prosperous. Societies regained stability, and relations between industrial nations were never so amicable. (By contrast, in 1934, four years after the ruinous Smoot-Hawley tariff was enacted, the average United States tariff rate had reached 47 percent. Today, it is 6 percent.)

But trouble began as the character of GATT membership changed. Something similar happened at the United Nations, where a host of new countries came in without the least commitment to the fundamentals of the Charter. Just so, the new members of GATT brought little commitment to its principles, but, even more importantly, most of the original members, driven by internal politics, began to compromise their own commitments.

Originally, GATT assumed that its members had something like free economies in which the overwhelming proportion of commercial decisions were in private hands — if only governments would not interfere with tariffs and quotas, the world would have free trade and more trade. The original 23 members of GATT basically fit this description. Of its present 87 members, including four from the Soviet bloc, few do.

Of the General Agreement on Tariffs and Trade's industrialized members, the United States almost alone still subscribes to the tenets of a free economy that underlay GATT's formation. Just as it took us such a long time to recognize — and accept — that the United Nations had changed, so we have been reluctant to recognize

Just in time for Christmas, the lame-duck session of the 97th Congress handed a lavish gift to the truck and highway lobbies — killer trucks four times more lethal to human life than a passenger automobile and exponentially more destructive of the roads than any other vehicle.

Laws banning 65-foot tandem trailers — two trailers hitched together — from the highways of 14 states were effectively overridden, beginning April 1, 1983. After that, states that continue to ban these behemoths (which with a cab to haul them can be 75 to 80 feet long) could lose Federal highway aid; none will likely risk it.

The same legislation will permit such trucks to be widened from 96 to 102 inches, and to be heavier by 6,720 pounds, up to a total of 80,000 pounds (the weight of machine and cargo combined).

Nine months after the law takes effect, moreover, these killer trucks are also to be allowed on city streets that serve as access lanes to the interstate highways or to truck terminals, major pickup points and fuel depots.

For New York City, which has no bypass or circumferential highways, the state Department of Transportation

says the practical effect will be to open all city streets to this destructive new traffic. The legislation — part of the law increasing the Federal gasoline tax — overrides a city ordinance restricting trucks to less than 55 feet in length, 96 inches in width and a maximum weight of 73,280 pounds.

Battered and jolted New Yorkers do not need to be told what new depredations the killer trucks will wreak on the pot-holed streets that already advertise the city's fiscal crisis. But even New Yorkers, weaned as they are on bad news, may not be aware that every year one of three tandem-trailer trucks has an accident, compared to one of only 12 highway vehicles overall.

And if one of these frequent killer-truck accidents happens to involve a passenger car, the Center for Auto Safety reports, the occupant of the car is 20 times more likely to die than the occupant of the truck.

In 1981, according to the Fatal Accident Reporting System of the Federal Department of Transportation, there were 2.96 fatalities per 100 million vehicle miles traveled in passenger cars, 5.6 fatalities for the same traffic in single trucks and 12.2 fatalities per

100 million tandem-truck miles.

Those figures probably will get worse under the new weight allowance, because Congress made no requirement for improved braking systems (as it did when it last increased allowable truck weights). The 30,000-pounders can go right on using brakes designed for lighter trucks.

But these are killer trucks for highways as well as people. The interstate system, in fact, was constructed for maximum weights of 60,000 pounds, against the 80,000 pounds now to be al-

East and West Meet Amid Mystery

By LESLIE BENNETTS

Delicate but somehow menacing, intricate shadow figures dance before a screen in the half-dark of a hot Indonesian night: Prince Arjuna, the hero who can also be "fickle and selfish"; Princess Srikanthi, "noble and proud, yet headstrong"; Semar, the grotesque dwarf who serves the prince. As the carved silhouettes tell their mystical story, the audience murmurs in the background, a Jakarta slum where noise itself is a constant murmur, fragmented and mysterious: bamboo creaks ominously, the night wind carries a snatch of laughter, the sound of weeping, a cry of alarm, the echo of a sigh.

Vivid and eerie, the opening scenes of "The Year of Living Dangerously," opening Friday at Cinema 1, set the mood for what is to come, which among other things is a portrait of a strange and exotic culture where Westerners realize suddenly that they have lost their bearings, that their experience has in no way prepared them to understand the complex and powerful forces that are now governing their lives as well as those of the starving, desperate millions around them.

Set in 1965, the film follows an Australian journalist who arrives in Jakarta on his first assignment as a foreign correspondent, falls in love with a British embassy attaché who may or may not be a secret agent, and be-

comes embroiled in the political turmoil of the falling Sukarno regime and an attempted Communist takeover that results in the massacre of hundreds of thousands of suspected revolutionaries.

Based on a novel of the same name by C.J. Koch, "The Year of Living Dangerously" was directed by Peter Weir, the Australian filmmaker whose previous works include "Gallipoli," "The Last Wave," and "Picnic at Hanging Rock." Although the political content of its subject matter represents something of a departure for Mr. Weir, the sensibility that informs it is consistent indeed. Critics have used such words as "mysterious," "disquieting," "elusive" and "ominous" to describe the moods created by Mr. Weir in portraying subjects as disparate as a Victorian schoolgirls' picnic, the secrets of an aboriginal tribe or a catastrophic battle in World War I. A similar mood suffuses Mr. Weir's new film, whose striking images and sense of the unknown — and the unknowable — linger in the memory long after the closing credits have dimmed.

In fact, the political framework of the story initially caused Mr. Weir to dismiss it. When a friend called to tell him he should read Mr. Koch's novel, the friend's account of the book's political concerns inspired Mr. Weir with a total lack of interest. He put off reading the book for months — but

when he finally did pick it up, he found that he "couldn't put it down." After racing through the novel, Mr. Weir immediately purchased the film rights.

The director was especially taken with the unique character of Billy Kwan, a Chinese-Australian dwarf who befriends Guy Hamilton, the handsome Australian journalist, and introduces him to the beautiful British aide, Jill Bryant. "Billy Kwan is the heart of the book, the figure around whom the novel is constructed," the director notes. As the heart of the film, the character remains strange and compelling, the puppetmaster whose subtle hand and superior wisdom direct the lives of those he loves — until one of them betrays him.

Indonesia was already a place that fascinated Mr. Weir, whose favorite vacation spot is Bali. "I had in my mind all the smells and sounds of an Indonesian street or market, and the mysteries there had always appealed to me," he says. "Here we are in Australia, living in this European fortress in Asia, and a short plane ride away you're suddenly plunged into this alien world. You're particularly struck by its spiritual force, which is something we in Australia don't have. It makes you like a child again: as Kwan says, 'Most of us become children again when we visit the slums of Asia.' Kwan talks about all the 'opposite intensities, the carnal nakedness, the threadbare nakedness, the crazy and the grim — it's Toytown and a city of fear.'"

"That sense of wonder, that seems long ago to have been lost to me as a European 38 years of age, comes back, and suddenly you are a big child in this world of mystery and wonder and secrecy — and danger. It's confusing to visit Southeast Asia; it's overwhelming. Every sense is being hit with information: you're battered with sights and sounds and smells, and you can't quite add it all up. You think you've got hold of something, and you lose it."

As he began to work on the screenplay with Mr. Koch — they are both credited as co-authors, along with David Williamson — Mr. Weir also came to a new understanding of the story's politics. "I began to see how the political atmosphere is acting upon the characters, and how the larger politics and the politics of the personal are inextricably locked together," he explains. "You have to deal with both, and find the correct balance. It's a very fine line, because no one wants a history lesson. It took many drafts of the screenplay to get that balance."

One casualty of the collaborative process was Mr. Weir's relationship with Mr. Koch, which the director describes ruefully as "bumpy. He knew that the odds were against a good book being made into a good film, and he knew by heart all the stories of the wrecking of novels-to-films that lay in cinema history," Mr. Weir explains.

"All I could tell him was that I was going to attempt to make this into a good film. He took that for doubt or uncertainty on my part, whereas it was really just being honest."

Mr. Weir readily admits that he shaped the novel's material to his own vision, however. "I ate the novel," he says with satisfaction. "I digested it, and it was delicious. I can only recall the taste. But what I then spoke as a result of that experience was my way of telling the story."

Mr. Koch was also shocked by Mr. Weir's choice in the critical casting decision of who would play Billy

Kwan, who mirrors in the realm of the intimate the godlike role of Sukarno as head of state. With Mel Gibson set as Guy Hamilton and Sigourney Weaver as Jill Bryant, Mr. Weir had been looking for Billy Kwan for months, and three weeks away from the start of filming he still hadn't found him. "It was like trying to fit the slipper on Cinderella," he recalls. "No one seemed right, and cables were flying from Manila and Sydney saying, 'Where the hell are you?'"

Then Mr. Weir was shown a photograph of a face "which looked marvelous, like an elf or a goblin." Told that the actor had extensive experience, he was thrilled — until he found out that she was a woman. Desperate, he agreed to see Linda Hunt, and after he saw a screen test of her in Eurasian makeup and men's clothes, he decided to use her. "My feeling was that it was worth a gamble," he says. "But can you imagine how horrified Chris Koch must have been to hear that a woman was going to play his precious creation?"

However, proof that Mr. Weir's gamble paid off has been apparent in pre-release screenings: viewers who do not already know that Billy Kwan is played by a woman never suspect it, and when the closing credits reveal that Kwan was played by Linda Hunt, there is a chorus of gasps and exclamations from the audience.

As for the title of the movie, that was actually Sukarno's own phrase, coined to describe 1965 — a year the Indonesian leader planned to sever his country's dependence on the West. "Sukarno used to give each year a name, in order to focus the energy and the will of the people toward a common goal," Mr. Weir explains. "He said 1965 would be the year of living dangerously as Indonesia tried to become independent and go it alone, and prophetically that turned out to be true for Sukarno himself." Mr. Weir grins. "It was also a very apt description of my own last year, including the choice of using Linda as Kwan."

The volatile nature of the story's politics was such that Mr. Weir didn't even consider filming in Indonesia, choosing the Philippines instead. But even there the subject proved explosive: four weeks into a scheduled six weeks of shooting last spring, the cast and crew began to receive written and telephoned death threats from Moslem extremists afraid that the movie would be anti-Moslem.

Mr. Weir and company cleared out immediately. "It was obviously time to leave," he says. "All it would cost was money. There were many who thought there was nothing to worry about and we should stay, but I wasn't prepared to take the slightest risk someone would die. Lie first, movie second," he adds wryly.

Mr. Weir finished filming the \$6 million movie in Sydney, where he was born and raised. "I had a classic sort of happy middle-class home," he says. "I was one of three kids, my father was a real estate agent, and we lived by the sea; I swam like a fish all my life. It was a wonderful childhood."

Back then his goal was to become a great criminal lawyer "who would handle only the most ghastly murder cases and get the person off — he would, of course, be totally innocent," Mr. Weir says. But after flunking out of the University of Sydney, he found himself at a temporary loss about what to do with his life. He had been appalled at the literature courses he had taken — "Teaching people to analyze magic is disgusting," he says with great contempt — and so for a time he went into real estate, like his father. "I made a lot of money and then went overseas, which changed my life," he reports.

During five weeks on a passenger ship from Australia to Greece, Mr. Weir and some friends found their captive audience irresistible and began to write and stage entertainments. "I got bitten by the bug, and became determined to go into show business," he says. He spent a year and a half traveling around Europe, during which time he met and married his wife, and when he returned to Australia he went to work for a television station as a stagehand. He began making short films while acting in and writing for a local revue, and eventually landed a job with the government film unit, making documentaries. Government grants helped to pay for "The Last Wave," "Picnic at Hanging Rock," and "The Plumber," a television film, but by the time he made "Gallipoli" Mr. Weir had graduated to private financing.

As his name grows along with his oeuvre, Mr. Weir has found himself hailed with increasing frequency as one of the pioneers of Australia's burgeoning film industry. He views his ascension into the big time with mixed feelings.

"There is perhaps one great casualty, which is the joy with which we first made these films," he says. "I've lost some of the joy of it. We've made the stakes too high. It's almost like after the revolution, which is always the hardest part. Now we've won: we have a film industry, we have credibility in foreign countries and a small but eager audience, and now it's harder. There are lawyers, agents, fees, false gods, laurels to be won — more to lose. When we get together we tend to remember the good old days in the hills, when we had nothing. We get sentimental, like old soldiers."

But the fascination of his craft continues to preoccupy him. "It is very difficult," he observes. "The craft of the narrative film, which I have chosen, seems like a lifelong apprenticeship to master."

Mr. Weir lives in Sydney with his wife, who designs his films, and their two children.

Arts & Leisure



Peter Weir, at left, directing Mel Gibson and Linda Hunt in "The Year of Living Dangerously" — "a very apt description of my own last year."

'I wasn't prepared to take the risk that someone would die.'

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A Medical Drama



"THRESHOLD"—Donald Sutherland plays an eminent cardiac surgeon who undertakes the implantation of an artificial heart. The film, directed by Richard Pearce and written by James Salter, opens Friday.

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Jews stay on the sidelines

JEWISH SCENE / Geoffrey Wigoder

TRAVELLING recently in a plane in the U.S., I spoke to my neighbour who turned out to be a leading black Methodist minister from New York. The bulk of the conversation revolved around nuclear disarmament. He had been an organizer of the mass anti-nuclear demonstration in Central Park earlier in the year. This had attracted one of the largest crowds ever seen in the U.S. — 750,000 people, including a group of demonstrators who had walked right across the States from the West Coast for the occasion. Meanwhile, the Catholic bishops of the U.S. have hit the headlines with their stand supporting nuclear disarmament.

This movement is today one of the foremost concerns of liberal groups in America — and in many other parts of the world. Unusual from a Jewish context is the comparatively low Jewish profile within the movement. Jews traditionally have been out in front for liberal causes, but this time they are not prominent. Certain individuals, some radical Jewish groups, the American Jewish Congress, etc., are among the advocates of nuclear disarmament but this cannot compare with earlier massive Jewish involvement in such causes.

I asked why, and was given various explanations: the Jews in general are less liberal than formerly; the Jews are less naive when it comes to unilateral disarmament and are more alert to the danger from the USSR; the Jews feel that such disarmament might conceivably harm Israel, which is seen as needing nuclear arms as a desperate last line of defence (and certainly needs them as a deterrent in the event of an Islamic bomb).

THE WHOLE problem forms the subject of a special issue of the *B'nai B'rith Jewish Monthly*, which opens with the words of Holocaust survivor Samuel Pisar: "Where, if not from the Jewish people, will come the warning that a new combination of technology and brutality can transform the planet into a crematorium?" To this, the journal appends the question: "Why has the Jewish community been slow to respond to the nuclear threat?"

One of the main articles, by Gail Naron Chalev and David Snyor, analyses the reactions of American Jews to the challenge.

The Jewish response, they state, has been complex and ambivalent. The spiritual conscience of the movement has largely been provided by the Christian religious hierarchy, notably the Catholic Church. The authors, who are deeply concerned with the problem, report a recent symposium in which Jewish rabbis and educators argued that Jews are compelled to respond to the danger of nuclear holocaust because Jews view human beings as caretakers of the natural world. Some of the participants criticized the community for becoming a one-issue people — Israel — and ignoring matters of ethics and morality concerning their fellow-citizens. They report some recent develop-

ments indicating a greater concern. Several thousand Jews did take part in the Central Park rally, some carrying banners in Hebrew and Yiddish. One sign observed "Make Challah, not War." Arthur Waskow, a social activist, is perhaps the leading Jewish figure in the anti-nuclear war movement. He had proposed the organization each spring of what he calls "Rainbow Sign Observances" as a time of "commemoration, vigils, teach-ins of the danger of thermonuclear war." Last May, shortly after he made this proposal, such observances were held in 17 communities.

THE AUTHORS hope that these small groups may come to influence the largest community. They quote supporters who feel that on this issue American Jewish leaders and organizations are lagging behind the

main-stream community, rather as they did over the Vietnam issue.

They note that the subject of an arms freeze is appearing on the agenda of a growing number of Jewish organizations, such as the Reform rabbinical body which has set the issue of nuclear disarmament as the focus for this year's social action programmes.

At the same time, they are aware that elsewhere the issue is being downplayed. The president of the Jewish Peace Fellowship is quoted as saying: "Many Jews believe that Israel should have the option to use nuclear weapons if that is the only alternative to her destruction."

A Reform rabbi, explaining the reluctance of many Jews to get involved, says: "Their underlying concern is whether a nuclear freeze is good for Israel. Isn't a tough U.S.

defence better? Won't Jewish interests be furthered by supporting stronger defence budgets or at least by keeping a low Jewish profile in efforts to cut the defence budget?"

There are those who feel that as far as Israel is concerned, the matter is far from clear-cut. Prof. Irwin Cotler, president of the Canadian Jewish Congress, has stated that Israel cannot win if the nuclearization of the Middle East occurs. It is too small and its population too concentrated to consider a nuclear exchange and the possibility of a "second strike." He proposes a "nuclear-free zone" covering Israel and the Arab states.

JULIUS BERMAN, president of the Presidents' Conference, brings in another Israel-centred angle. "In light of what has been happening in the Middle East for the past several months," he says, "most of our organizations have been eating, thinking, sleeping and dreaming

about what's going on there. Social action issues, as a result, are taking a back seat and it is most unlikely that the nuclear issue will become a top priority on the agenda of Jewish organizations."

Another leading Jewish executive adds: "Because of the limited resources of Jewish groups, many segments of the Jewish community feel that other groups will have to take the initiatives in dealing with the nuclear threat."

The dilemma is illustrated by the experience of the San Francisco Jewish Community Relations Council. Some of its members who support a freeze requested the endorsement of the council for their position. The council, unable to reach a consensus, commissioned a nationwide survey of the attitudes of national Jewish organizations. This found that most such bodies had taken no stand. In the end, the council passed a weak resolution calling for the cessation of new nuclear weapons development. One of its directors summed up the experience by saying that individual Jews will lobby for a freeze but the majority of major Jewish groups are not going to give the issue a high priority.

VETERAN JERUSALEMITES have seen many changes in the city. Downtown, the lower part of Ben-Yehuda Street has experienced a big change: no more noisy automobiles, lorries or other kinds of vehicles, no more polluted air or dirt from rancid oils. The street has been closed to traffic and completely paved with Jerusalem stones. Roses stand in central squares and there are young trees, neatly staked on both sides. Even the street lamps seem artistically shaped.

An additional beautifying factor is the many florist shops and vendors selling flowers. The street offers a big display of multicoloured roses, gladioli, carnations, gerberas, Dutch irises, chrysanthemums, even early blooming tulips and hyacinths, and everywhere one sees two fashionable house-plants, *Kalanchoe* and *decorative cabbage*.

The high cost of a potted *Kalanchoe* or a decorative cabbage is somewhat justified, because it takes a nurseryman considerable time to get these plants ready for marketing. But every amateur gardener can propagate these plants himself. It is a long process, but a money-saving one and, aside from the challenge, there is the excitement of watching a seed germinate or a cutting take root — a thrill that never wears out.

Kalanchoe blossfeldiana (named after its discoverer, Hermann Kalanchoe) belongs to the crassulaceae family, along with some 200 other species of similar succulents. It has leathery, dark green leaves and flowers in red, pink, yellow and orange. A fresh

botanist, Perrier de la Bathie, discovered this plant in Madagascar, growing at a height of 2000 metres. He brought it to France in 1927, and it flowered for the first time on European soil. A few years later the Blossfeld seed company of Berlin began to mass produce this handsome, flowering house plant through seeds and stem-cuttings. The Blossfeld firm at first called it *Kalanchoe* (its native name) *glauca* and later changed this name to *Kalanchoe blossfeldiana*, under which it is known today. *Kalanchoe* and all other succulents evolved in dry areas of the world, and their general requirements are related to this habitat: light soil with good drainage, fresh air, sufficient light and water during the growing season and a cool and dry resting place during dormancy.

The best place for a *Kalanchoe* is an east- or west-facing windowsill from spring to autumn and a south-facing spot in winter. The green, fleshy leaves turn reddish in sunlight and the large flower heads last for many weeks.

This plant is best kept at 16-26°C., but it thrives also in lower temperatures. Some nurseries withhold light in order to force the *Kalanchoe* into early bloom; with this method, some varieties can be made to flower in early autumn. During the Israeli winter, it's better to keep this plant in an unheated room.

When watered too freely, the *Kalanchoe*'s stems start to rot, and the plant dies. Very small amounts of lukewarm water (room

Fashionable plants

GARDENER'S CORNER / Walter Frankl

temperature) once a week is sufficient. There is no need to mist the water-rich leaves, as one customarily does with other house-plants such as ficus, monstera, wandering Jew, ferns, etc. Like the cultivated cyclamen, the *Kalanchoe* is "al-lergic" to heat. When room temperature goes over 26°C., its flowers will lose their bright colour and wilt.

After the *Kalanchoe*'s flowers fade, it should be pruned. New sprouts will soon appear at the tops of the cut stems, and these can be used in spring or early summer for propagation. Here's how: let the cuttings dry for a few days and then insert the young shoots into a container filled with moist pure sand or vermiculite. They will take root in about three weeks time. Then transplant 3-4 rooted cuttings to a medium-sized pot, filled with a mixture of sand, peat and compost (equal parts).

Ornamental cabbage (*Brassica oleracea*, *crux* not *cruc* in Hebrew). Cabbage is one of the oldest cultivated plants. Botanists, writers and philosophers of ancient times and of the Middle Ages mention this plant under different, but

mostly similar, names. Theophrastus, Cato, Columella, Pliny, Apicius, Albertus Magnus, Konrad von Meppenburg, Leonard Fuchs, Hieronymus Bosch and many others found reason to mention edible cabbage plants in their writings. The ornamental cabbage, however, is a modern creation, which first appeared eight years ago in Europe. Its colourful leaves may be green, white, yellow, pink or purple.

This decorative plant reached Israel in 1979, and today its seed is readily available. Sow in nursery boxes or cold frames in the same way as for edible cabbage. When seedlings are 10-15 cm. tall, and have not fewer than 6 leaves, they should be transplanted into medium-sized flower pots, filled with rich garden soil, and placed in a sunny position. Water twice a week during rainless periods. The best sowing period is in late August or early September. You need some patience. For a long time these plants will look no different from edible cabbages. Come January, not sooner, they will show their decorative, colourful selves.

Remove yellowing lower leaves, feed once (and forever) with one

teaspoonful of osmocote, general fertilizer in the form of coated grains. Spray occasionally with a malathion solution against aphids (1cc. for 1 litre water).

Cabbages are very strong, weather-resistant plants, which will not suffer from low temperatures. In late spring or early summer, cabbages will pay you another "dividend" for good care: bright yellow flowers. When these fade, seedpods will appear. Collect and dry them and then sow in a seedbox in early autumn.

Frank trees. The best planting period for fruit trees in Israel is from the middle of January until the end of February. Grapes, however, should be planted at the end of

February, when all danger of frost has passed. Nurseries this year have an abundance of deciduous (bare-rooted) fruit trees for IS70-IS80 a sapling. In this category, choose from the following: almond, apple, apricot, pecan, peach, pear, plum and cherry trees.

Grapes in a variety of species are also available for the same price. Citrus trees, in big tins or plastic bags, now go for IS150 each. Also available are subtropical trees like avocado (not for the hilly areas!) fig, guava, mango and pomegranate. Or now that the Tu B'Shvat season is here, you might want to plant olives, loquat, or date palm trees.

How to plant. Prepare all planting holes and make sure they are big enough (60-70 cm. wide and deep) When digging, get rid of all big stones, perennial weeds and old tree roots.

Mix your local soil with compost (50:50) and fill one third of the hole with the soil mix. Very young saplings should be planted a few centimetres lower than they were in the nursery, but bigger ones should go

in just as they grew before. In contrast to the planting of rose bushes, the thickened grafting point should be completely covered with soil.

Step around the planted tree to avoid air pockets. Fix the plant upright in the centre of the hole. Then insert a strong stick, not less than one metre long, close to the planted sapling and tie with raffia or use the special carton-wire band now available at nurseries or household shops.

Watering. A shallow, saucer-like depression (*tsalahat*) around the young plant will conserve water and be an aid until the young tree is established. Mulching with dry tree leaves or wood shavings also helps to retain moisture. Mulch is also a protection against dangerous night frosts and suppresses weed growth.

Water with a watering can or a bucket immediately after planting and water once a week during rainless periods. Never allow a newly planted tree to dry out. No chemical or other plantfood is needed (other than initial compost) during the first growing season.

ISRAEL SINFONETTA — Mendi Rodan conducting; with Maurice Bourque, oboe (Concertmaster), Beersheba, January 15. And Ma'ayan Sinfonietta on Hebrew Folk Tunes (presided by Herta Oboe Concerto in C); Martin: Oboe Concerto; Beethoven: Symphony No. 1; in C Major, opus 21.

THE NEWEST composition from Ami Ma'ayani demonstrates his belief in keeping to the principle of the Mediterranean School — using oriental or other Jewish folk melodies within Western forms reaching to create a synthesis between East and West. Rudyard Kipling's axiom "never the twain shall meet" notwithstanding.

The work's rhythmic complexities and the other enormous challenges it places before the orchestra were met, and excellently so, by Mendi Rodan and his Sinfonietta, which displayed some dazzling playing.

Dazzling display

MUSIC/Yohanan Boehm

Unfortunately, the hall's acoustics are most disturbing; airwaves do not reverberate normally but are simply thrown back in hard, dry sound. In particular, the trumpets were much too obtrusive without the players being at fault.

The Ma'ayani score's abundance of notes perhaps do not add anything of consequence, but may help to create a background of purposefully indistinct sound patterns. The treatment of the Yemenite, Sephardi, Eastern European and Persian melodies shows the ex-

perienced hand of a good craftsman, and the composer could hardly have wished for a better or more committed presentation.

Maurice Bourque impressed not only with a brilliant technique and seemingly endless breath, but he also gave really exciting readings of two concertos: Haydn's work is of ambiguous authorship but possesses all the pleasant traits of the period; Martin's composition, on the other hand, is music of great charm and of weight, mixing interestingly traditional treatment with more

contemporary ideas. Written in 1955, it shows the composer at his best (he lived from 1890 to 1959). Both pieces served to show Bourque's musicianship and virtuosity.

Mendi Rodan's approach to Beethoven symphonies never really convinced me, and this time he again seemed much too severe in his attitude. Some tempi were too hurried, and his characterization of the First Symphony as a work by an *Angry Young Man* spoiled, in my opinion, most of the lightness and *joie de vivre* of the master's early music. Maybe, the bad acoustics contributed to this impression — it is high time for Beersheba to provide a more appropriate hall for its excellent Sinfonietta to give the ensemble the conditions it so richly deserves.

Salaried Worker

On January 5, 1983, a general collective agreement was signed between the Histadrut — General Federation of Labour, the Trade Union Division's various sections, and the Economic Organizations Coordinating Bureau, in the name of its various organizations.

In accordance with this agreement, from January 1, 1983 there will be a 21.7% cost of living increase payment on the "Combined Salary", up to a ceiling of IS33,240 per month or IS1,329.60 per day. This agreement applies to all the country's salaried workers, and will affect all the country's employers and workers after publication of the extension order.

Simultaneously, at the demand of the Histadrut, several of the factors affecting worker income will be updated as well.

Income Tax System

Tax levels and exemption points have been updated by the full rise in the cost of living index — 25.5%. Following are the new income tax levels (IS):

Tax levels	October-December 1982	January-March 1983
25%	18,500	4,825
35%	25,300	7,005
45%	33,300	10,805
50%	45,600	18,755
60%	Each additional shekel	Each additional shekel
Exemption point value	IS537	IS674

As stated above, the value of an exemption point on January 1, 1983 is IS 674/month.

As previously, a single person, and a married man whose wife works, are entitled to 2% exemption points, the value of which (from January 1, 1983) is IS 1,516.50/month. A married man whose wife does not work gets 3% points, with a value of IS 2,190.50/month.

A mother who works is entitled to 2% exemption points, plus one point for each child up to the age of 18.

21.7% Cost of Living Increase — in your next salary

Tax Threshold

The tax threshold as well has been upped from January 1, 1983 at a rate of 25.5%.

Children's Allowances

Together with the updating of exemption points, from January 1, 1983 updating has taken place of the value of the points according to which children's allowance payments are made by the National Insurance Institute. This has also been fixed at the sum of IS674 per point for this period, due to the 25.5% increase in the cost of living index.

* "Combined Salary", as determined in the labour agreements in the various sectors of the economy.

Salaried workers must demand that their employers pay them the above listed increases.

Additional details on the wage agreements are available at the trade union secretariats, and the labour federations and councils throughout the country.

Histadrut —
General Federation of Labour
Executive
Trade Union Division

Israel Lands Administration

Jerusalem District

Offer for Lease of Plot for Commercial Construction in Beersheba.

Tender No. BS/82/86

The Israel Lands Administration invites bids for a development contract for an area, details of which at the time of publication of this tender, were as follows:

Block	Parcel portions	Approx. area (sq.m.)	No. of floors	Minimum price (IS)	Deposit (IS)
38008	2-3	490	2	6,201,830	300,000

In accordance with Municipal Building Programme 177/03/5 (already deposited). Old City, construction percentages are: 80% on ground floor, 40% top floor with 30% for pillared area. Details, sample contracts and bid forms are available at our Beersheba district office, Rehov Ben-Zvi (above Yahalom hall) during regular working hours.

Deadline for submitting tender bids is February 8, 1983. Bids not in the tender postbox on the above date will not be considered.

The Israel Lands Administration does not undertake to accept the highest or any other bid.

Haifa District

Offer for Lease of Plot for Construction of Housing Units on Rehov Abas in Haifa

Tender No. H/82/87

The Israel Lands Administration invites bids for the signing of a development contract for an area, details of which at the time of publication of this tender, were as follows:

Block	Parcel	Approx. area (sq.m.)	No. of floors	Minimum price (IS)	Deposit (IS)
10814	59	982	2	2,471,000	120,000

In accordance with Municipal Building Programme HF/853A, the gross building percentage for both floors together is 35%. The total licensed area is 344sq.m. Shingled roof is mandatory. Details, sample contracts and bid forms are available at our Haifa district office, 13 Rehov Ha'atzmaut, Haifa, during regular working hours.

Deadline for submitting tender bids is February 7, 1983. Bids not in the tender postbox at the above date will not be considered.

The Israel Lands Administration does not undertake to accept the highest or any other bid.

ISRAEL LANDS ADMINISTRATION

Jerusalem District

The Organizing of Groups for Participation in the Drawing for Plots for Owner-Occupier Construction, Shechunat Ramot, Jerusalem

1. With the aim of encouraging owner-occupier construction on other than single plots, by groups organized for this purpose, the Israel Lands Administration is planning to allot to companies, 3 plots for 63, 67 and 70 housing units, for construction by these companies at Ramot 03 in Jerusalem.

2. There will be a plots drawing among the companies who meet the following conditions:

- Only properly registered companies may participate.
- Every company must undertake to build, on the plot allotted to it, only for its members and for residential purposes.
- A company may be allotted one plot only.
- Companies participating in the drawing may not include in its members list those listed as members in other companies participating in the drawing. Companies participating in the drawing must present to the Lands Administration at registration time, a confirmed list of its members. The Lands Administration may nullify the participation of any company with members listed as members in another company participating in the drawing.
- Companies with less than 60 members will not be permitted to register for the drawing. Companies that have been allotted plots must undertake, prior to concluding the development contract, to supplement the number of members to conform with the number of permitted housing units on the allotted plots.
- Changes in the members listing of companies to whom plots have been allotted, will be permitted only upon authorization of the Israel Lands Administration.
- Only residents of Israel who have completed their military service and are at least 21 years of age, may register as members in companies participating in the drawing. Residents of foreign countries who have opened an immigrant file and are planning to emigrate to Israel, may also register as company members, provided that such planned stays have been confirmed by the Jewish Agency's Aliya Department. All the above notwithstanding, the following may not register as members in drawing participant companies:
 - Anyone with an Israel Lands Administration plot meant for owner occupier construction, regardless of whether the plot is empty, built up or on which construction has begun.
 - The Lands Administration may nullify a company's participation in the drawing if the company's members list includes persons who do not meet the above conditions.

3. Where more than 3 companies have registered for participation in the drawing, lots will first be drawn to determine which of the companies will participate, in the following stage, for the plots drawing.

4. Plot prices will be determined by the Government Assessor close to the time fixed for the drawing, in accordance with Lands Administration procedure.

5. The Israel Lands Administration will issue a press announcement, within 45 days of the publication of the present notice, of an invitation to companies to participate in the drawing.

6. Additional details are available at the Israel Lands Administration office, Jerusalem District, 34 Rehov Ben-Yehuda, Jerusalem.

Pharmacies exempt from big rent hike

By AARON SITTNER
Jerusalem Post Reporter

Private pharmacists operating in leased premises won their battle Friday against substantial rent increases, the Jerusalem Merchants Association announced.

Association secretary Avraham Birnbaum, who has been leading the fight, said he has been informed by the Housing Ministry that chemists' shops have been removed from the list of businesses in which rent control will be partially lifted.

This partial decontrol will mean operators of such businesses in other than self-owned quarters will have to pay much more than the 300 per cent increase that became effective on January 1.

According to Birnbaum, their annual rents could go as high as seven

per cent of the market value of their premises "and this will probably drive many people out of business."

Meanwhile, the Jerusalem municipality's public health services department repeated its warning to the capital's chemists on night and Sabbath opening hours.

Acting on a citizen's complaint, the department noted some pharmacies fail to post an illuminated sign outside their shops directing customers to the nearest "emergency pharmacy" on duty to supply urgently needed medicines.

A municipal bylaw requires the day's duty pharmacy to be open from 7 p.m. to 10 p.m. From 10 p.m. till eight o'clock the next morning the pharmacist must stand by at the address and telephone number he supplies, and provide medicines according to a doctor's prescription.

Technological Resources plans IS170m. stock issue

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. — Technological Resources is a holding company set up in November to specialize in the acquisition and development of existing high-technology enterprises. The company plans to float a IS170 million stock issue at the end of this month, its general manager, Shmuel Decker, said yesterday.

"At present we are in various stages of negotiation with two large and six small companies," he said. "The money raised on the stock market will be used for their purchase."

This company was set up with an initial paid-up capital of IS600m. Of this sum, some IS550m. has been earmarked for the seven companies already acquired. These companies

deal with making medical instruments, heating elements for rugs and industrialized building methods. Two of them produce computer software and other make telephones and optical instruments.

The Rieger-Fishman group owns 25.5 per cent of Technological Resources, with another 12.6 per cent in the hands of a group which does not want its name revealed. A parcel of 12.6 per cent is in the hands of Hakibbutz Ha'artzi, which plans to use Technological Resources as an outlet for its own sophisticated industrial products as well as having it set up future plants in its kibbutzim. A Canadian group holds nine per cent, while Decker himself has five per cent. Similar amounts are held by other Israelis, including Avraham Shapira, MK.

Egypt's foreign debt now 13.5 billion pounds

CAIRO (Reuters). — Egypt's foreign debt stands at 13.5 billion Egyptian pounds (\$16.2 b.). Economy Minister Mustapha Kamel Saeed said in an interview published yesterday.

Saeed told the semi-official newspaper *Al-Ahram* that servicing the debt consumed 17 or 18 per cent of Egypt's foreign currency earnings. "So long as this percentage does not exceed the 25 per cent mark, we are on the safe side," the minister said.

Saeed added that Egypt's debt would reach 16.5 billion Egyptian

pounds (\$19.8 b.) by the end of the five-year economic plan due to be launched this year.

He predicted that by then the ratio of debt servicing to foreign currency earnings would be only 15.5 per cent.

MIDDLE EAST TRIP. — World Bank president Tom Clausen, who has been meeting financial officials in Switzerland and in Saudi Arabia and Kuwait, over the weekend. He will spend the rest of this week in Egypt, holding wide-ranging discussions.

BUSINESS BRIEFS

Jerusalem Post Reporters

THE DISCOUNT BANK has raised from IS40,000 to IS100,000 the amount which members of its Tamar and Gefen provident funds receive in case of death. In case of accidental death, the sum is IS20,000.

MORE THAN 300 Israeli firms have opened offices in the U.S. to promote their exports. Recently, Israel's commercial representative in the U.S., Shmuel Ben-Tovim, announced publication of a guide listing all places where Israeli goods are sold in the U.S.

MA'ALOT is the leading exporter among development towns. Last year its 29 plants exported goods valued at \$80 million, with the bulk coming from Elscint and Gabor. Beersheba, which is also defined as a development town, is in second place with exports of \$74m. from its 172 plants. In third place is Migdal Ha'emek, with exports of \$49m. from its 52 plants.

IMPORTS OF TILES in the January through October period of 1982 stood at \$8.5m., a nine per cent increase over the same period in 1981, according to Koor. It was noted that a large portion of these imports were sold here at "dumping" prices.

Hapoalim's Nofesh 83

Jerusalem Post Reporter

TEL AVIV. — Bank Hapoalim has launched a new type of short-term savings plan, Nofesh 83, which allows clients to save for periods of between three and nine months, either in dollars or in shekels. Deposits can be made on a one-time or monthly basis.

At the end of the savings period the client can obtain a loan on convenient terms. In addition, he enjoys interest on his savings, exemption from commission on foreign currency bought for deposit in this programme, and exemption from commission on travellers cheques bought with the money saved.

The Jerusalem Post is introducing a weekly column in which its Finance Reporter answers readers' questions on all financial matters.

Your money and your questions

By JOSEPH MORGENTHAU

QUESTION: Should I sell securities to cover my overdraft?

ANSWER: When share and bond prices are advancing rapidly, the rise in the value of a person's investments generally outpaces the cost of his overdraft. Interest charged by the banks in 1982 was considerably less than the average rise in the General Share Index.

The cost of the borrowed money, however, should be taken into account when calculating gains or losses resulting from investments which originated from overdrafts or borrowed funds.

QUESTION: What are "rights"?

ANSWER: "Rights" are the entitlement and privilege extended to shareholders to subscribe to a new financing issue by the company concerned. The shareholder has the choice of selling his "rights" on the open market, when trading opens in them, or he may exercise the "rights," and subscribe to the financing issue which is usually offered preferential rates.

Banks or brokers, unless given instructions to the contrary, will sell the "rights" on behalf of the owners and credit their accounts with the counter value.

QUESTION: What is the difference between "nominal yield" and "real yield"?

ANSWER: "Nominal yield" is the percentage expression of a gain or loss resulting from an investment. Suppose you invested IS10,000 in a given security and sold it a year later for IS12,000. The "nominal gain" is IS2,000, or 20 per cent. The "real yield," however, takes

into account the rise in the Cost-of-Living Index during the period the investment was held.

Thus if the above investment was held throughout 1982, you must take into account the rise in the Cost-of-Living-Index over that period.

The index rose in 1982 by 13.1 per cent. Adjusting the "nominal yield" for this inflationary rise, the "real yield" comes to 8 per cent. (This figure is arrived at by using a complicated formula). "Nominal" and "real" yields may be positive or negative, depending on the success or failure of an investment.

QUESTION: What are the actual funds?

ANSWER: Mutual funds, or unit-trusts, are managed by professional portfolio managers. The funds diversify their investments and thus spread all risk.

A mutual fund is generally best suited to the small investor who wants the benefits of professional management and a minimum of risk. Funds have different investment policies. Some concentrate on shares, others on index-linked bonds, still others on foreign currency investments. The investment policy of a fund should meet the desire of the investor to concentrate in a specific area. Most funds are run by banks and brokerage houses.

Information in this column comes from sources we believe to be reliable, but we do not guarantee accuracy or completeness. It is not meant as a form of recommendation.

SMALL RISE. — Wholesale prices in the U.S. last year rose only 3.3 per cent, the smallest annual gain in over a decade, the government said on Friday.

But the good news on the inflation front was partially offset by figures showing that industrial output fell 0.1 per cent in December — the 15th decline in the past 17 months.

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התיאטרון הישראלי
THE JERUSALEM THEATRE

NEW IN JERUSALEM — HEBREW THEATRE
IN ENGLISH
"GOOD"

By C.P. Taylor

Presented by The Cameri Theatre
Director: Ilan Ronen
Simultaneous translation into English (earphones)
At The Jerusalem Theatre.

Tuesday, Jan. 18, 1983 at 8.30 p.m. Tuesday, Feb. 8, 1983 at 8.30 p.m.

Tickets: Jerusalem Theatre Box Office, 20, Marcus St. Tel. 667167.
Sunday—Thursday, 4.00-8.00 p.m.

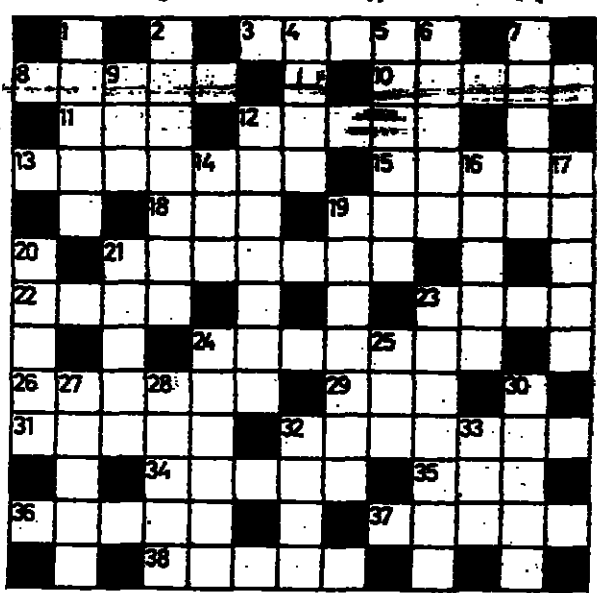
TWO-IN-ONE CROSSWORD

CRYPTIC PUZZLE

ACROSS

- 3 Animal not exactly stout (5)
- 8 Some outlandish rubber plant (5)
- 10 Hold up the Spanish, but not during the night (5)
- 11 I am wrong in intent (3)
- 12 The plant I have on either side (5)
- 13 It's a question of taking things badly (7)
- 15 New book (5)
- 18 He figures out an article (3)
- 19 Scene of projected productions (6)
- 21 They may be on the air or airless (7)
- 22 Somewhat ravaged by time? (4)
- 23 Snappish dog at the end of the street (4)
- 24 Seminar arranged for servicemen (7)
- 26 Head of the plant (6)
- 29 Spoil Mary no end! (3)
- 31 Leave town (5)
- 32 Tie Benn in knots, Michael! (7)
- 34 Being sober keeps Sid out of the army! (5)
- 35 Live in the area (3)
- 36 All for a baby boy (5)
- 37 He may walk all the way without a hitch (5)
- 38 Smooth piece of tulle, velvet, etc. (5)

Use the same diagram for either the Cryptic or the Easy puzzle.



EASY PUZZLE

ACROSS

- 3 Sword (5)
- 8 Strain (5)
- 10 Problem (5)
- 11 Wound (5)
- 12 Not safe (5)
- 13 Motionless (7)
- 15 Warm (5)
- 18 Age (3)
- 19 Woman's name (6)
- 21 Landed properties (7)
- 22 Focusing device (4)
- 23 Formerly (4)
- 24 Raise (7)
- 26 Fortified wine (6)
- 29 New (3)
- 31 Seraglio (5)
- 32 Bunting (7)
- 34 Less (5)
- 35 Rug (3)
- 36 Once more (5)
- 37 Prance (5)
- 38 Concise (5)

DOWN

- 1 Eccentric (5)
- 2 Lady (7)
- 4 Pervading atmosphere (4)
- 5 Hurries (6)
- 6 Anaesthetic (5)
- 7 Irish county (5)
- 9 Sheep (3)
- 12 At last (7)
- 14 Small child (3)
- 16 Make amends (5)
- 17 Rescues (5)
- 19 Amphibious rodent (7)
- 20 Sudden blaze (5)
- 21 Go in (5)
- 23 Sofa (7)
- 24 Fur (6)
- 25 At the stern (3)
- 27 Suspends (5)
- 28 Send payment (5)
- 30 Pals (5)
- 32 Possessive pronoun (5)
- 33 Race track circuit (5)

Solutions to today's puzzle tomorrow

WHAT'S ON

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JERUSALEM MUSEUMS
Israel Museum. Exhibitions: Permanent Collection of Judaica, Art and Archaeology; Portables. From Museum collection of archaeology, ethnography, Judaica, art and design (opens 18.1). Primitive Art from the Museum Collection; Open Eye, design by Sandberg; Touch, children's exhibition; Bezalel 1906-1929; Art of Bezalel Teachers; Tip of the Iceberg No. 1, 19th century French drawings and prints from Museum collection; Toys and Games of the Ancient World (Rockefeller Museum); Wonderful World of Paper (Palestine Center); Special Exhibits: Islamic Armour, Iran 17th-18th century (Rockefeller Museum); Japanese Miniature Sculpture, Nusske and Inro, 18th-19th century; Hanukkah Lamp, early 17th century, Poland; Model of Shrine, pottery 9th-8th century BCE; Small Figurines of Humans, Nahal Oren limestone figures, early Neolithic period; Clay Jug and Juglet, Middle Canaanite period (11A early 2nd millennium BCE).
Visiting Hours: Main Museum 10-5, at 11: Guided tour in English, 3.30; Special guided tour of Shrine of the Book, 3.30; "Chitty Chitty Bang Bang" children's film, 8.30; Lecture: "The Rise and Fall of Bezalel" by Dr. Gideon Ofrat-Friedlander, Bezalel Academy.

CONDUCTED TOURS
HADASSAH. Guided tour of all installations. • Hourly tours at Kinyat Hadassah and Hadassah Mt. Scopus. • Information, reservations: 02-416331, 02-426271.
Hebrew University:
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9 and 28.
2. Mount Scopus tours 11 a.m. from the main Reception Center, Sherman Building. Buses 9 and 28 to last stop. Further details: Tel. 02-882819.

AMERICAN MIZRAHI WOMEN. Free Morning tour — 8 Aikual Street, Jerusalem. Tel. 02-699222.

TEL AVIV
MUSEUMS
Tel Aviv Museum. Exhibitions: City and Art; Dizengoff House; Tel Aviv. Early Photographs; East or West. Architecture in Israel 1920-1933; Collections: Israeli Art 1960-1980; Classical Art from the 17th and 18th centuries; Impressionism and Post Impressionism; 20th Century Art in Europe and the United States; Archipelago. Early Works (1910-1921). New Exhibition (opens 17.1.83 at 7 p.m.): Arman: Parade of Objects. Retrospective 1955-1982.

CONDUCTED TOURS
American Mizrahi Women. Free Morning tour — Tel Aviv. Tel. 230187, 243106.
WIZO. To visit our projects call Tel Aviv, 232939; Jerusalem, 256060; Haifa, 89537.
PIONEER WOMEN — NA'AMAT. Morning tours. Call for reservations Tel Aviv, 256096.

HAIFA
What's On in Haifa, dial 04-640846.

REBOVOT
The Weizmann Institute. Grounds open to public from 8.00 a.m. to 3.30 p.m. Visitors invited to see audio-visual programme on Institute's research activities, shown regularly at 11.00 a.m. and 3.15 p.m. Friday 11.00 a.m. only.

Tours of the Weizmann House every half hour from 10.00 to 3.30 p.m., Sunday to Thursday. Nominal fee for admission to Weizmann House. No visits on Saturdays and holidays.

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ENTERTAINMENT

TELEVISION

EDUCATIONAL:
8.35 English 6.35 Geography 7-9 9.20 English 5 10.05 Mathematics 4 10.30 Programme for Kindergarten 11.00 Spoken Arabic 11.15 Math/Geometry 6 11.30 Math/Geometry 5 11.45 English 7 12.05 English 8 12.30 Literature 9-12 13.05 High School Science 16.00 Handicrafts 16.10 Battle of the Planets 16.40 Follow Me — Beginner's English for Adults 17.00 A New Evening — live magazine
CHILDREN'S PROGRAMMES:
17.30 3, 2, 1 The Magic Hat
17.50 Soup and Me — children's drama
18.15 Cartoons
ARABIC-LANGUAGE programmes:
18.35 News roundup
18.37 Sports
19.27 Programme Trailer
19.30 News
HEBREW PROGRAMMES (resume at 20.00 with a new roundup)
20.03 Fame, Pak 14 of a 16-part series based on the film about a New York performing arts school: Come One, Come All
20.50 Stop — weekly road safety corner
21.00 Mabat Newsweek
21.30 Portraits — series on Israeli artists and writers: Nissan Aloni

ON THE AIR
First Programme
6.11 Musical Clock
7.00 This Morning — news magazine followed by Morning Melodies
8.05 Mozart: Symphony No. 39, K.543 (Israel Philharmonic, Mehta); Debussy: L'apres-midi d'un faune (Luxembourg); Bach-Mozart: Prelude and Fugue in F Major; Beethoven: Piano Sonata No. 1, Op. 2, No. 1 (Glen Gould); Bartok: 3 Village Scenes for Female Voices; Television Concerto for Oboe d'amore (Heinz Holliger); Bloch: Sholomo (Rostropovich, French National, Bernstein)
10.05 Corelli: Concerto Grosso in C Minor (Israel Chamber Orchestra, Edgar

Second Programme
6.06 Morning Sounds
6.30 University on the Air — Prof. Yoacif Ben Shimon lectures on the Philosophy of Spinoza
7.07 P.M. — with Alex Ansky
8.05 IDF Morning News
9.05 Right Now — with Rafi Reshef
11.05 Musical Requests — with Shira Goren
12.05 Israeli Winter — with Eh Yisraeli
13.05 One and to the Point — midday magazine
14.05 Two Hours — music, anecdotes, for reviews and reviews
15.05 Four in the Afternoon — Hebrew songs
17.05 IDF Evening Newsweek
18.05 Army and Defence Magazine
19.05 Music Today — Music Magazine
20.05 Israel Rock
21.05 Mabat Newsweek
21.35 University on the Air (repeat)
22.05 Popular songs
23.05 Middle of the Road (repeat)
00.05 Night Birds — songs, chat with Yael Dan

Army
6.12 Gymnastics
6.22 Agricultural Broadcasts
6.35 Editorial Review
6.54 Green Light — drivers' corner
7.00 This Morning — news magazine
8.05 First Thing — with Ehud Manor

10.10 All Shades of the Network — morning magazine
12.05 Open Line — news and music
13.00 Midday — news commentary, music
14.10 Matters of Interest — introduced by Gabi Gazi
16.10 From Here to There — immigration matters
17.10 Religious and Places
18.05 Religious Affairs Magazine
18.47 Bible Reading — Proverbs 21:17-31
19.00 Today — people and events in the news
20.10 Sabbath songs
22.05 Literary Magazine (repeat)
23.10 The Second Half — women's magazine

CINEMAS
JERUSALEM 4, 7, 9
Eden: Raiders of the Golden Cobra Chest; Eden: E.T. 4, 6.45, 9; Habimah: Gabriela; Kfir: Good Luck, Minstrel All Quiet on the Western Front 6.45, 9; Orgel: Policewoman Called Louisa; Oran: Author! Author! 4, 6.45, 9; Oran: Just Before Dawn; Rom: Clockwork Orange 6.30, 9; Sommar: Reds 8; Baywatch: Chitty Chitty Bang Bang 9; Israel Museum: Chitty Chitty Bang Bang 9.30; Cinema: Oran: French Lieutenant's Woman; Death on the Nile 9.15; Cinema: Loin de Vietnam 7; Ikru 9.30.

TEL AVIV 4.30, 7.15, 9.30
Alamy: Return of the Soldier; Ben-Yehuda: All Quiet on the Western Front; Cinema 1: E.T. 4.30, 7.15, 9.30; Cinema 2: Missing 4.30, 7.15, 9.30; Cinema 3: Ragtime 6.20, 9.15; Cinema 4: Bedouins and Bedouines 4.30, 7.15, 9.30; Cinema 5: Beau Geste 10.30 a.m.; Cinema 6: Last Days of Love 4.15, 7.15, 9.30; Cinema 7: Two Men in a Boat 10.30 a.m.; Cinema 8: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 9: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 10: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 11: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 12: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 13: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 14: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 15: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 16: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 17: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 18: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 19: The Last Days of Pompeii 4.30, 7.15, 9.30; Cinema 20: The Last Days of Pompeii 4.30, 7.15, 9.30; 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Ari Rath
Editor and
Managing Director

THE JERUSALEM
POST

Erwin Frenkel
Editor

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Shvat 3, 5743 • Rabi-Thani 3, 1403

Of law not men

IF THE COUNTRY must have two chief rabbis, one Ashkenazi and one Sephardi, and if each one of them must double in the role of president of the Supreme Rabbinical Court and chairman of the Chief Rabbinate Council, then the arrangement regulating the chief rabbis' terms of service which was written into law by the Knesset in 1980 makes perfect sense. Under that arrangement, the chief rabbis, like the state president, were to be eligible for only two consecutive five year terms. Within each term, the rabbis would alternate as president of the Supreme Rabbinical Court and chairman of the Chief Rabbinate Council.

The incumbent chief rabbis, Shlomo Goren and Ovadia Yosef, were to be ineligible for re-election once they had served a full ten years.

Now it has been suggested, with Premier Begin's concurrence, that the chief rabbi, being the highest religious judge in the land, should — like a Supreme Court justice — be allowed to serve until he reaches the ripe old age of seventy. But the analogy does not apply. The chief rabbi is both dayan and administrator, as well as teacher of the law and, according to his lights, spiritual (and sometimes political) leader as well.

Moreover, it would not be possible to separate the function of chief religious judge from the totality of the chief rabbi's roles. For one thing, so long as the communal division is reflected in the very structure of the chief rabbinate, it would be next to impossible to decide whether the president of the Supreme Rabbinical Court should be Sephardi or Ashkenazi.

Originally, Rabbis Yosef and Goren seemed to accept with good grace the law limiting their tenure to two terms. But now they claim that it is tantamount to their forcible removal.

The National Religious Party, discomfited by the chief rabbis' prodings, is trying to find a compromise. Yesterday, the minister for the interior and religious affairs, Dr. Burg, asked the cabinet to approve a measure that would enable Shlomo Goren and Ovadia Yosef to stand for re-election.

The only thing to be said in favour of this idea is that it is less objectionable than the contrivance hatched in some NRP circles, which would automatically extend the rabbis' terms by another two-and-a-half years, as was already done before. Behind the extension proposal lies the fear that, while in an election Rabbi Yosef would win in a walkover, Rabbi Goren might be defeated.

When the cabinet takes the matter up next Sunday, it should reject out of hand any attempt to change the new law. To do so would not be to denigrate the past services of the incumbent chief rabbis.

The law, however, is the law, and it cannot be made the plaything of individual caprice. Changing it would mean that anything in this country is amenable to manipulation, and that a perfectly valid piece of legislation should be torn up to accommodate the wishes of some highly placed persons backed by powerful political interests.

Moderate' killers

TWO PALESTINIAN terrorist outfits are now vying for the "honour" of having been behind the attack on a bus in Tel Aviv nine days ago: Abu Nidal's dissident group, based in Baghdad, and the widely dispersed PLO itself. The PLO announcement taking credit for the outrage came from Paris, where the organization maintains an office by permission of the French government.

Head of that office is Ibrahim Souss, who is supposed to be a PLO "moderate". Very moderately, he explained that such actions as the Tel Aviv hand-grenade attack bore the character not of terror but of national resistance.

This is plainly the position not of PLO "extremists", such as Hani el-Hassan, a Fatah central committee member who said recently that the PLO purpose is "to regain the land, all the land, of Palestine, all the Palestinian towns of Jerusalem, Nablus, Haifa, Gaza and Safad." It is the position of the PLO mainstream, which evidently believes that it can with impunity combine politics with terrorism.

The only proper answer to the declaration from Paris must be the fresh excommunication of the PLO. The first move should be France's, in closing down the office of this organization for terror.

READERS' LETTERS

ISRAEL'S DRIVERS

To the Editor of The Jerusalem Post

Sir, — American youngsters are taught defensive driving as an important part of avoiding accidents. They are taught to try to anticipate the action of the other drivers.

It seems that the prime lesson taught to Israeli drivers is how to win at the game of chicken — who can force whom to turn away first.

Courtesy is almost a non-existent word in the Israeli driver's vocabulary. He or she must always be first and always have or demand the right of way.

I would strongly urge that a great effort be made to teach drivers that a small amount of courtesy can save a lot of aggravation and heartache. HARVEY POLLACK Jerusalem (Fords, N.J.)

Aliya commitment

By DONALD E. WOLPE

ALL THE PLAYERS in the Middle East arena today appear to be dissatisfied.

President Ronald Reagan is dissatisfied with Israel's refusal to freeze settlements in Judea and Samaria and to help push his peace initiative. Defence Minister Ariel Sharon is dissatisfied with Lebanon's reluctance to normalize relations with Israel in the context of security and formal peace, thus giving him a public relations coup.

King Hussein is dissatisfied with circumstances that preclude his participation in direct peace negotiations with Israel. Yasser Arafat is dissatisfied with every Arab who didn't support the PLO following Israel's incursion into Lebanon.

And everyone who depends on Russian armaments must have become alarmingly dissatisfied when Israel obliterated Syria's Soviet weaponry.

Prime Minister Menachem Begin's dissatisfaction is compounded by the world's refusal to appreciate that Israel rid Lebanon of anarchy; by Reagan's lack of support for a full-fledged peace treaty between Israel and Lebanon; by America's readiness to arm Jordan (or probably any so-called "moderate" Arab state) without insisting they join the peace process; and by the likelihood that his political problems will increase in the months ahead.

Such minor dissatisfactions as El Al's demise, the Mizrahi Bank's attempt to buy FBI and endless wage disputes seem pale by comparison, but they are no less real.

WITH SUCH dissatisfactions rampant, the much-maligned 30th World Zionist Congress was marred by distorted press reports, denounced as a circus of fiscal excesses and accused of repudiating government policies when in fact, as reported by Ivan Novick, president of the Zionist Organization of

America and chairman of the congress committee on political affairs, information and external relations, the congress not only did not condemn or criticize the government but ended with a heartening display of unity.

All that was reported by Novick seemed to be ignored by The Jerusalem Post, which accused the congress and the Zionist movement of "having become a vast spoils system, wholly unrelated to Zionist values or Jewish challenge," of "having taught the overseas delegates that they must hasten to pack up and leave on aliya if they wish to preserve their Zionist credentials," and of being "a symptom of the moral disease that has stricken the Zionist Movement."

ONLY WARPED Jewish logic could enunciate these assorted dissatisfactions and conclude that the root of Israel's problems are those gutless Zionists, safe and secure in their Diaspora havens, feeding on the perks of the WZO, sheltered from the assorted agonies of Jewish nationhood as typified by aliya and life in Israel.

This is an irrational travesty of logic. What strength will Israel gain out of the disappearance of the Zionist movement? What mammoth tide of aliya will sweep onto Israel's shores out of the vacuum of a non-Zionist scene?

If the WZO bureaucracy is financially diseased, is it really necessary to kill the patient in order to cure the cancer?

The time has come for Israeli critics of non-Israeli Zionists to re-evaluate their perceptions. That is precisely what the Zionist Organization of America is doing for itself.

If it took the Zionist movement 50 years to realize a free, independent and reconstituted national Jewish homeland in Eretz Yisrael, why should anyone expect that the perfection of a universal Jewish

idealism in Israel will be achieved in but one generation more?

No Diaspora ideologist doubts the basic tenet that aliya always was, is and will be the primary focus of the Zionist movement. That reality has never escaped the committed American Zionist and its realization becomes more dynamic with each passing day.

And the realization that an estimated six million American Jews have little or no immediate interest in aliya does not diminish the ultimate conviction that Israel's security and survival is essential to all of Jewish survival.

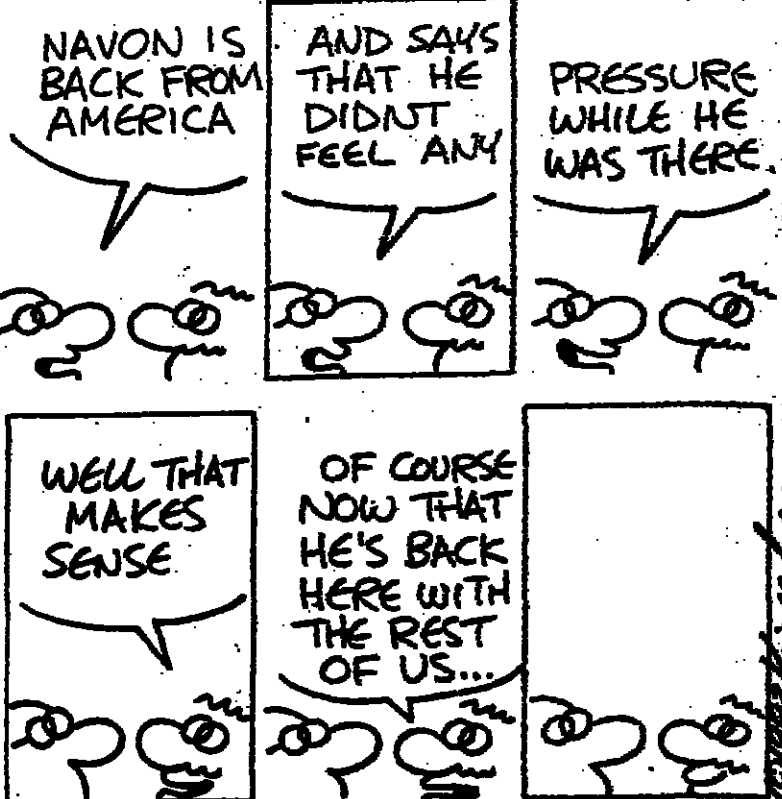
Even if American Zionism has failed to mount an effective effort to encourage and achieve a significant American aliya, the cause is still worthy of the expenditure of all our resources.

It is a sobering reality that if Jews had the opportunity of living in security, opportunity and prosperity in Germany and Western Europe without Hitler and the Nazis, the State of Israel might still be the elusive dream of frustrated Zionists making annual speeches in Basel. The probability of Jews being "pushed" to Israel from an inhospitable Western hemisphere — especially from the United States — is remote.

The reality of aliya can only be achieved by magnetizing Israel — by exerting every possible influence to make of the land and the people Israel a country, an environment and a society so appealing that Americans will be attracted to settle there in order to prosper and experience a new and unprecedented opportunity for cultural, spiritual, social and material fulfillment — as individuals, as families and as a Jewish nation.

POTENTIAL immigrants are not unaware that total immigration is in excess of 500,000 Israelis, notwithstanding the fact that the

Dry Bones



majority of Israelis are sabras.

Nor are they ignorant of the economic, social, cultural and political problems in Israel.

Nor are they blind to the fact that Orthodox religious leadership, by its unique political influence — which multiplies its social and economic clout and spiritual domination — is creating a "spiritual non-environment" totally incompatible with the American Jewish religious experience and to the harmony between the orthodox and non-orthodox communities.

Religious pluralism in Israel — full equality and recognition of Conservative and Reform Jewish expression and practice — is absolutely essential to a maturing Israeli society that aspires to universal appeal to Jews.

Only a mutual, coordinated and energetic initiative by American

Zionists and Israeli leadership can successfully operate to develop a significant aliya. To excommunicate either will likely destroy the prospects of both.

In terms of the world's population, Jews may be small in number, but we faithfully believe we have been preserved in life for high purpose.

If we demonstrate the will and ability to unite our efforts behind a single goal, not only will Zionism triumph and the dissatisfactions begin to dissipate, but there will be reason to anticipate that the purest parts of mankind's destiny will one day be realized.

The writer is president of the Seaboard region of the Zionist Organization of America and chairman of the ZOA's commission on Zionist ideology.

The price of power

By D'VORA BEN SHAUL

will surely pay a high price.

In this case, the price of coal will be not the traditional "blood and bone," but smog and acid rain.

This in itself is bad enough. But nuclear reactors — no matter how safe Edward Teller may decree them to be — have leaked in the past and can be expected to be in danger of doing so in the future. Whether this eventual leak comes about due to human carelessness, earthquake, terrorist action or aerial bombing in case of war makes little difference in the long run. We are not speaking here of a small, self-contained island off the coast of New Jersey but of a site a few kilometres from Beersheba or from Ashkelon.

Nuclear reactors, even when functioning perfectly, give rise to an enormous amount of thermal pollution due to the vast quantities of hot water emitted. Israel has few viable rivers and cannot permit the destruction of yet another, such as the B'sor River. Nor is there enough coastline available to say, "Well, it's only a few kilometres."

Nor is it at all certain that nuclear reactors are the fuel source of the future. Both fusion powered plants and solar energy are making rapid gains in technology and it is more than a predictable possibility that by the time the plant is operative in

another 10 years or more, it will already be obsolete.

THAT THE government can consider taking this drastic step in the circumstances points once again to a strange and almost inconceivable twist in the way we have learned to think.

No country gets more upset than Israel does over the loss of a single Israeli life due to enemy action. The killing or crippling of one of our citizens anywhere in the world is a cause for public outrage, yet the Makteshim pesticide factory, owned by Koor, is permitted to operate in the centre of the Negev's capital city. A plant less than half the size of Makteshim, producing the same type of chemicals, burned

in Italy a few years ago, leaving some 400 retarded children who breathed the smoke in its wake.

Air pollution in Ashdod makes the No.1 focus for respiratory diseases, yet almost nothing is being done to alleviate the situation. The government-owned power facility and power plant and the Koor-owned Agan herbicide factory will soon be joined by a loading dock for dry coal.

A government bears the responsibility for the safety of its citizens, but safety is not a matter of military security alone. In order to thrive, its citizens must also enjoy environmental protection and the security of knowing that the air they breathe, the food they eat and the water they drink are clean.

A nuclear reactor power station is not a step in the direction of this security.

The writer is a member of The Jerusalem Post editorial staff.

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